FBIS DAILY REPORT

CONTENTS

Latin America

23 Jul 87 FBIS-LAT-87-141 i

CARIBBEAN

CUBA

CIA Dealt 'Harsh Blow' From Spy Revelations A 1
U.S. Position at Seventh UNCTAD Session Rejected A 1
Interview With Vice President Rodriguez A 2
[Rome LA REPUBLICA 21 Jul]
Salvadoran Crisis, Workers Demands Viewed A 4
Briefs: Computer Communications Begin A 4

OTHER COUNTRIES

GUADELOUPE

'Most Wanted' Separatist Leader Arrested B 1

HAITI

Students, Women Hold Antigovernment Demonstrations B 1
Further on Demonstrations B 2
Rocks Thrown, Soldiers Intervene B 4
Committee of 57 Calls for Freedom of Speech B 4
IFOPADA Issues Press Release on Situation B 5
[LE NOUVELLISTE 18-19 Jul]

ST VINCENT AND THE GRENADINES

Guadeloupians Turned Over to French Authorities B 6

CENTRAL AMERICA

BELIZE

Esquivel Acquires Honduras' 'Pro-American' Stance D 1
Briefs: Cocaine Found D 1

EL SALVADOR

Duarte 'Not Optimistic' About Presidential Summit F 1
[AFP]
Duarte Says Nicaragua Instigating Demonstrations F 2
[Buenos Aires REUTER]
Coprefa Bulletin Lists FMLN Casualties, Actions F 4

HONDURAS

Zepeda on Self-Determination, U.S., USSR Ties H 1

NICARAGUA

Ramirez on ICJ Case, Contadora Peace Efforts I 1
Ramirez Returns From European, African Tour I 1
Carrion Attends Celebration in Juigalpa I 1
Nunez Tellez Sends Support Letter to Panama's Diaz I 2
[LA REPUBLICA DOMINICAL 19 Jul]
Wheelock Participates in Agrarian Reform Day I 2
Contras Suffer 400 Casualties in Nueva Guinea Area I 3
Managua Details Contra Casualties 14-15 July I 4
Honduran Army Reportedly Aids Contras' Escape I 4
Cause of Chinandega Factory Fire Unknown I 4

PANAMA

Demonstrations Scheduled at U.S. Embassy J 1
EL SIGLO on Demonstrations [22 Jul] J 1
Students, Police Clash at Panama University J 1
Television on Protest J 2
Civilianization Crusade Issues Strike Communique J 3
[EL SIGLO 21 Jul]
Unions Not To Support Strike J 4
Noriega on Treaties, Contadora, Economy J 5
Archdiocese Communique on End to Violence J 7

SOUTH AMERICA

ARGENTINA

Supreme Court Suspends Radio, TV Broadcasts K 1
Briefs: Communications, Industry Secretaries Installed K 1

BOLIVIA

Vice President's News Conference on Asian Tour L 1
Bedregal on Joint Operations Against Drug Trade L 1

BRAZIL

Daily Interviews Bresser on Debt Negotiation M 1
[O GLOBO 20 Jul]
Bresser Views Scope of Plan M 2
Government Officials, Sarney on PMDB Convention M 3
Justice Minister on Meeting M 4

CHILE

Merino Returns from 2-Week Tour, Resumes Duties N 1
[EL MERCURIO 17 Jul]
Denies Buying Weapons in Israel N 1
Pinochet To Reduce Prison Terms of Criminals N 2

COLOMBIA

Argentina's Caputo Discusses Contadora, Support [AFP] O 1

ECUADOR

President Submits 'Urgent' Economic Bill P 1
Leaders of Taura Base Rebellion Receive Sentences P 1
Briefs: MPD's Presidential Candidate P 1

PARAGUAY

President Stroessner Answers Taiwan Reporters [HOY 21 Jul] Q 1
Supreme Court Denies PDC Registration as Party [HOY 18 Jul] Q 3
Briefs: UK Trade Delegation; Cost of Living Q 3

PERU

Ambassador Discusses Recent Terrorist Attack [La Paz] R 1
Wagner, Bolivia's Bedregal End Meeting [La Paz] R 1

VENEZUELA

Government Increases Oil Price Over Official Rate [DPA] T 1
Defense Minister on Status of Border Troops T 1
Lusinchi Returns From Eastern Caribbean Trip [AFP] T 1

CIA DEALT 'HARSH BLOW' FROM SPY REVELATIONS

FL222003 Havana Radio Rebelde Network in Spanish 1700 GMT 22 Jul 87

[Station commentary]

[Text] The U.S. Central Intelligence Agency is bleeding from its wounds. The Cuban revolution has dealt it another harsh blow, one of the harshest received by the agency in its lengthy history of crimes and banditry on an international scale.

Over 100 of the CIA's brainy agents have been publicly identified, by full name. Most of them have been photographed, while others have been filmed in flagrante.

One doubts that President Ronald Reagan would not dare to boast, as he recently did publicly, that he has the most efficient intelligence services in the world. The fact is that we are now up to the sixth part of the program, "The CIA's War Against Cuba," and the people have had a unique glimpse of the sinister underworld of the agency and its diabolic designs against our country.

In the course of these revelations, several points have stood out: First, that the CIA has not given up its plans to assassinate Commander in Chief Fidel Castro; second, that the CIA has stepped up its total economic war against Cuba, to include criminal actions against our people; third, that the CIA is using the U.S. Interests Office in Havana for any possible misdeeds; and fourth, that the CIA, ruminating on its impotence, has reinforced its slander campaign in an attempt to discredit the country's institutions and leaders, particularly the commander in chief.

Where the first three points are concerned, all that remains to be said is that the Cuban revolution long ago learned to defend itself calmly, patiently, and effectively; that despite difficulties and the CIA's war, our economy will continue to grow again this year, if modestly; that the CIA should not forget that Cuba's goals lie, not in seeking the many things that are lacking in Third World countries -- including some developed countries -- but improving our administration of the not-so-negligible benefits that we have gained with our sweat and blood.

The last point is not even worthy of consideration. No miserable CIA campaign will be able to distort history or blunt its cutting edge. Let the CIA continue bleeding from its wounds.

U.S. POSITION AT SEVENTH UNCTAD SESSION REJECTED

FI222046 Havana Radio Reloj Network in Spanish 1808 GMT 22 Jul 87

[Unattributed commentary]

[Text] The U.S. view of Third World problems has been criticized. A document presented by the United States to the seventh UNCTAD session was received with disillusionment by Latin America, because its interpretation of the world economy is far removed from the aspirations of the Group of 77.

On presenting its view of development problems, the first thing the United States said to the developed countries is that they must adjust to the present world, and that in order to survive, they have to adapt to market conditions.

The document presented by the U.S. delegation states it is essential that transnational enterprises operate freely. Adoption of the adjustment policies prescribed by the IMF -- which most Latin American delegations consider to be a source of social disruption -- is also one of the maxims of the U.S. prescription.

As for the foreign debt, the U.S. delegation's proposal runs completely contrary to the formulas proposed by the 125 developing countries that form the Group of 77. While the Third World countries are demanding that creditors and debtors share the debt burden, the United States has proposed it be privatized, which means U.S. banks would purchase the resources of the poor countries with devalued dollars.

The U.S. delegation proposes, as a model, the economic system implemented by Singapore, South Korea, Malaysia, and Taiwan, which have also been recognized as springboards for the U.S. transnationals in Southeast Asia.

The concluding portion of the document portrays the United States as the champion of developmental aid, which Latin American diplomats see as laughable.

INTERVIEW WITH VICE PRESIDENT RODRIGUEZ

PM221520 Rome LA REPUBLICA in Italian 21 Jul 87 p 17

[Interview with Vice President Carlos Rafael Rodriguez by Alberto Flores d'Arcais; date, place not given]

[Text] Havana -- "A Gorbachev effect? I would not say so: What is happening in Cuba is entirely independent of the CPSU general secretary's new line. To be precise, we began our reform program at the end of 1984 when there was not yet any talk about 'restructuring.'" Carlos Rafael Rodriguez, vice president and number three in the Cuban hierarchy, smiled and added with a hint of sarcasm: "Of course I do not mean that we are responsible for the Gorbachev effect."

A communist from the outset -- he was even a minister in one of Batista's governments -- Carlos Rafael Rodriquez joined Fidel's 26 July Movement a few months after the victory of the revolution and is now considered Moscow's champion in Havana.

[Flores d'Arcais] Does Cuba really fear a U.S. invasion?

[Rodriguez] I do not believe there is any danger of an invasion at the moment. Cuba now has a strong military defense and Washington knows it would have to pay too high a price. This does not mean Reagan has stopped attacking us, particularly by using economic blackmail against countries that either have or could have relations with us.

[Flores d'Arcais] What is the present status of relations with the United States?

[Rodriguez] First, I would say a distinction must be drawn between relations with the government, which are at their lowest ebb, and relations with Congress, which, on the other hand, are active and positive in many respects.

We have had meetings with Democratic deputies but with Republicans too, and important politicians have visited Cuba and spoken with Fidel. This is a dialogue Reagan is not in a position to stop. In the past, including in the early years of the Reagan presidency, a dialogue was possible even with the government In November 1982 I myself spoke with Secretary of State Haig about the possibility of establishing diplomatic relations. Rather than a dialogue, that proved to be a dual monologue.

[Flores d'Arcais] Do you believe that U.S.-Cuban diplomatic relations will be possible in the future?

[Rodriguez] Definitely not with this administration. I would not rule it out with another president. Even among the Republicans we can see how Senator Dole -- one of the possible candidates for the White House -- is trying to disassociate himself from Reagan as far as possible. I am convinced that things will change. Of course, there will have to be mutual respect and an end to the U.S. blockade against Cuba. We have lived both against and without the United States and we can happily lie with the United States.

[Flores d'Acais] How do you view the situation in Central America?

[Rodriguez] It is still very critical but Reagan's difficulties make an invasion of Nicaragua unlikely now. Some 75 percent of the U.S. people are opposed to this possibility, though certainly not out of sympathy for Nicaragua: I would say it is an aftermath of Vietnam but also a rejection of military force. In any case the Sandinists are winning militarily; a situation of peace would be more difficult for them.

[Flores d'Arcais] What about the Cuban military presence in Africa?

[Rodriguez] The reasons for our presence in Angola and Ethiopia have always been very clear. As far as Ethiopia is concerned, we maintain relations not with Mengistu but with Siad Barre's Somalia. He asked us to intervene vis-a-vis the Ethiopians, to reach a negotiated solution for Ogaden. Fidel spoke with Mengistu and Siad Barre at a meeting in Aden. The Somali president wanted the whole of Ogaden but promised he would not use force. But then he invaded Ethiopia. We -- not the Soviets -- were the first to suggest helping Mengistu militarily: I remember asking Brezhnev about this myself.

[Flores d'Arcais] But you have abandoned your Eritrean ally.

[Rodriguez] We have never taken part in military operations in Eritreau; no Cuban soldier has ever entered that region. The Eritrean issue is an internal Ethiopian affair that does not concern us.

[Flores d'Arcais] What is the real status of the Cuban economy?

[Rodriguez] There have been problems both before and since the party congress -- a situation that was criticized at the end of 1984 and analyzed very rigorously at the third congress. Fidel issued some heavy criticisms. What is in question is not our strategy but its implementation: There has been a lack of vigilance, there are old rules that must be changed, and our exports are weak. We have had to deal with a difficult international situation: The fall in the dollar rate has penalized us considerably, since we have to conduct all our commercial transactions in that currency. Until 1990 hard times await us, but our foundations are sound. If we compare our economy to that of the other developing countries we can say it is healthy. There is no poverty in our country.

SALVADORAN CRISIS, WORKERS DEMANDS VIEWED

PA180418 Havana International Service in Spanish 2300 GMT 16 Jul 87

["Our America" commentary read by Manolo Ortega]

[Text] The general land transportation stoppage called in El Salvador by the rebels, in solidarity with hundreds of Social Security workers on strike for more than 40 days, has been highly successful and has received the people's support. Even though the Army deployed soldiers, tanks, and helicopters along the main highways, the guerrilla forces have paralyzed more than 95 percent of traffic going to the main cities in the country, particularly in the eastern and western zones.

As expected, the regime took all kinds of measures to neutralize this new boycott -- the sixth so far this year -- and even provided free transportation so people would not join the stoppage. Nevertheless, all its maneuvers have failed. The people preferred to stay home or walk instead of accepting vehicles offered by the regime. The people's decision is not a coincidence -- it is the result of political maturity attained during these years of war, which has allowed them to see that the guerrilla forces are their only allies against a regime which sinks the country deeper and deeper into a socioeconomic crisis and unleashes its rage against the people.

One of the reasons the FMLN called the stoppage in solidarity with the Social Security employees was the police machinegunning of hundreds of workers during a demonstration. The massacre, in which 25 persons suffered critical wounds and 50 others sustained minor ones, was strongly repudiated by the Salvadoran Peasants Union, the "Msgr Oscar Arnulfo Romero" Committee of Mothers and Relatives of Political Prisoners, Missing and Murdered People in El Salvador, and over 26 state organizations -- which began strikes and demonstrations demanding socioeconomic benefits and refecting the government's repression.

The wave of protests was joined by approximately 15,000 teachers and professors, and it is foreseen that other labor sectors will also join the protests and organize marches to support the Social Security workers. For example, hundreds of persons participated in a march organized by the National Union of Salvadoran Workers a few hours ago. The march was brutally repressed by the Army, which opened fire on the demonstrators and wounded at least six persons. Nevertheless, these repressive methods have failed to stop the workers and instead acted as a boomerang, because thousands of workers have increased their protests throughout the country.

Consequently, the regime has gone down a dead end street; on one side it faces the FMLN's constant victories, and on the other it faces a nation demanding the president's resignation because he cannot solve the country's economic and social problems.

BRIEFS

COMPUTER COMMUNICATIONS BEGIN -- The first equipment constructed in Cuba for computer communications via telephone has become operational in Matanzas. The node has the capacity for 24 channels and can transmit more than 7,000 characters a minute. [Text] [Havana Radio Progreso Network in Spanish 1100 GMT 21 Jul 87 FL]

GUADELOUPE

'MOST WANTED' SEPARATIST LEADER ARRESTED

FL221356 Bonaire Trans World Radio in English 1130 GMT 22 Jul 87

[Text] Guadeloupe separatist leader Luke [as heard] Reinette and four others wanted on terrorism charges are in custody tonight in the French Caribbean Department after their arrest earlier today [announcer corrects himself], that is yesterday in St Vincent and the Grenadines.

Three of the men apprehended were on Guadeloupe's most wanted list. The fugitives arrived in St Vincent on Monday in a plane chartered in Guadeloupe after being turned down in a bid for asylum in Suriname.

Luke Reinette has been at large since his escape 2 years ago from a prison in Basse-Terre where he was serving a 23-year sentence for several bombings. Arrested with him was his alleged girlfriend and French authorities say Reinette is linked with the banned Caribbean Revolutionary Alliance and a militant group called the Movement for an Independent Guadeloupe.

There have been no bombings in the French department since last November when terrorists caused extensive damage to government and private properties. Three people were killed and eight wounded in a restaurant bombing in March of 1985. Guadeloupe has endured over 80 bombings in the past 7 years.

HAITI

STUDENTS, WOMEN HOLD ANTIGOVERNMENT DEMONSTRATIONS

FL221549 Port-au-Prince Domestic Service in Creole 1300 GMT 21 Jul 87

[Text] Yesterday, several hundred university students and school children from different university faculties and secondary schools in Port-au-Prince took to the streets for a demonstration against the National Government Council [CNG], which they feel is unpopular and no longer capable of leading the country because it has no credibility vis-a-vis the people. They gathered in front of the Faculty of Medicine and Pharmacy. The demonstration was called by the National Federation of Haitian Students. The For a Clearer Vision Committee and the Union of Port-au-Prince Students were also involved.

The march started in front of the Faculty of Medicine and proceeded down Rue Oswald Durand. The demonstrators made an approximately 1/2 hour stop in front of the Ministry of National Education where they expressed their dissatisfaction with that ministry's current policy. Mr Patrice Dalencourt heads that ministry.

Slogans hostile to the CNG and to Education Minister Dalencourt could be read on the demonstrators' signs. According to the slogans on the signs, the students are not going to take the baccalaureate exams as long as the CNG remains in power and as long as Mr Dalencourt remains minister of national education. They said baccalaureate exams are not possible under those people. The students complained of the many problems they have in connection with education, such as the autonomy they want for the university, so it can be independent.

The demonstrators also stopped in front of the U.S. Consulate, where they made statements against U.S. President Ronald Reagan. They shouted "Down with Reagan, down with Reagan!". They do not accept the U.S. Government's meddling in their business here in Haiti. They do not want the U.S. Government to support the CNG, which is headed by Lieutenant General Henri Namphy.

The students said yesterday's demonstration was a peaceful demonstration. We can say there were no incidents during the march, which ended at approximately 1330 [1730 GMT] at the Faculty of Medicine, after going up and down several streets in the capital. There were no incidents noted, and the police did not interfere.

Following this big demonstration, the students are planning other demonstrations. They intend to demonstrate until they obtain satisfaction -- until the provisional CNG resigns.

Further on Demonstrations

FL222150 Port-au-Prince Radio Metropole in French and Creole 1600 GMT 22 Jul 87

[Excerpts] [First announcer, in French] We can say the marches are continuing and do not resemble one another. The two marches of the preceding 2 days took place without incident. Today was the women's march. We must point out there were many men, providing support for the women. This march broke up in front of Port-au-Prince City Hall. [passage omitted]

[Second announcer, in French] Today, under the hot sun and in the dusty streets of Port-au-Prince, many women -- and especially men -- took part in a day of demonstrations against the "Macoute" -- as the organizers of the march termed it -- policy of the present Government of Haiti.

The students, who were also participating in this march, repeated the same slogans they chanted yesterday. We will not take the high school final exams as long as this government has not resigned, as the people are demanding, chanted the young demonstrators.

Today, as you know, different Haitian women's organizations organized a peaceful antigovernment march in Port-au-Prince. They -- the women -- are demanding, among other things, that female civil servants resign. "We demand justice and freedom for our children." The women were also demanding that certain schools of the university in the capital, which were closed following disputes between the students and school authorities, reopen. Let's listen:

[Begin recording] [Unidentified women in Creole] Well yes, that's what I'm telling you. I'm telling you it falls within the framework of an entire series of demonstrations. Today we have very specific goals. We are going to hold a sit-in in front of Mrs Franck Paul's [mayor of Port-au-Prince] office to express how much we, who are women like herself, are ashamed of her for sitting there and supporting a government like this one.

[Second announcer in Creole] So you are going to City Hall. Do you intend to negotiate with Mrs Franck Paul?

[Woman] We are not going to do any negotiating at all with Mrs Franck Paul. We simply want her to leave City Hall as soon as possible.

[Announcer] But for how many days will you demonstrate? Just today?

[Woman] We will demonstrate today and tomorrow. Today we will hold a sit-in in front of city hall. Tomorrow we will hold a sit-in front of the offices of the attorney general so we can tell Mrs Pluviose that ever since she took office, she has been handing down unfair rulings; that we do not agree with her rulings; and that we don't want her to stay in office.

[Announcer] [words indistinct]

[Second woman, interrupting] [words indistinct] in the street mainly because of the children they raped and whom Mrs Pluviose released without bringing them to trial. [end recording]

[Second announcer, in French] You have therefore understood the whys and wherefores of the women's march, in which many men participated today. The demonstration was to have ended in front of city hall. The women's demonstration, which, as I said, included many men and many young people, broke up at around 1130, at which time the police were forced to disperse with tear gas a group of demonstrators who wanted to surround city hall. The demonstrators, in turn, countered by throwing rocks at cars. Several car windows were broken by the demonstrators, and there was a certain amount of tension downtown. Certain stores had to close. Here is the testimony of a march participant.

[Begin recording] [First unidentified woman, in Creole] ...we came down until we were in front of Mrs Franck Paul's, in front of city hall. When we got here, we found the police ready for any kind of provocation. The ladies were beginning to spread out so they could hold the sit-in and they started firing tear gas at us. When we got here, half the vehicles in the parking lot were already smashed. This is a provocation. The group started scattering every which way. Now and then people would make a little attempt to regroup. The police were there, walking around. Now and then they would fire tear gas at journalists, women, men, everyone. There is no democracy! We are staging a peaceful demonstration and they come with every intention to crush us. tomorrow, we will march again anyway. We will march even more determinedly.

[Second woman, in Creole] Even more determinedly! Anyway! Anyway!

[First woman] [words indistinct] tear gas came from inside the white building. I was out there in front, next to the Tele-Haiti truck. It came from inside. I saw it with my own eyes. You would have to check inside city hall. You should check with the Tele-Haiti journalists. [end recording]

[Second announcer] So, that was the testimony gathered following this women's demonstration, which ended in front of city hall in Port-au-Prince. The police had to intervene to disperse a group of demonstrators who wanted to overrun city hall in Port-au-Prince. The march was to have ended in a sit-in by the women. Tomorrow there will be another day of women's demonstrations, and this time the women will march to the offices of the attorney general [words indistinct] in Port-au-Prince to demand the resignation of government representative, Mrs Mireille D. Pluviose.

Rocks Thrown, Soldiers Intervene

FL222238 Port-au-Prince Radio Metropole in French 1600 GMT 22 Jul 87

[Excerpts] Regarding the problem in the streets this morning between 1130 and noon, it looks like things are not over, because one of our reporters, who is in the streets, is going to tell us what things are like. It is 1226:32. Jean-Max?

[Reporter] [shouting heard in the background] Good afternoon to all Radio Metropole listeners. We are presently in front of the cathedral. Some 3 minutes ago no cars could transit this street because any vehicle that passed [rephrases] there is a group of demonstrators who is massed in front of the cathedral. They are throwing rocks at all passing cars. There was a new-looking Pajero [jeep] and some five to seven cars. Now troops from the Dessalines Barracks are moving in. There is a truck filled with soldiers. But let us give you a little summary of everything that has happened. [passage omitted]

Some tear gas was fired but they didn't come from where the tear gas was fired [as heard]. The people were angry. They returned. Some ran and hid [words indistinct], and they came and gathered on Rue Bonne Foi, where 20 minutes ago, no traffic could pass. But even now, as we speak to you, there are only pedestrians in the street. Where I am -- I'm fine because the street is empty -- there is not a soul. The only thing going on is that they are continuing to throw rocks at vehicles. Not a single car can be safe because the demonstrators are smashing the windows of all passing vehicles -- all of them -- without exception.

Right now, we see the men from the Dessalines Barracks getting out of their vehicle and going around to the back of the cathedral. They are looking for the people who were throwing rocks. There are other soldiers in the street.

There are a few passers-by who do not feel involved, because they didn't get rocks thrown at them. They are walking around normally. I must report that the demonstrators say they need a "long-sleeved" [lasting] demonstration, or strike. They are very angry, they say, because a while ago they didn't have anything against anyone, and the troops fired both bullets and tear gas. I must also report that no one was wounded in the shooting.

We heard they arrested one person. They arrested [words indistinct], but according to what a foreign journalist just told us -- because we weren't on the scene then -- that person has been released. This is unconfirmed. It looks like they let the person go. [Words indistinct] we are going to the police station to find out if they really did release the person. The street is empty now. If there are further details, we will report them.

COMMITTEE OF 57 CALLS FOR FREEDOM OF SPEECH

FL221908 Port-au-Prince Radio Lumiere Network in Creole 1330 GMT 22 Jul 87

[Text] A communique from the Coordinating Committee states: The Coordinating Committee of the 57 organizations and federations that have been working hand in hand with several other organizations since 25 June states before the entire world that freedom of the press is being threatened in Haiti. This is a very serious thing. The people cannot just let this slide when, as you know, freedom of speech is one of the people's greatest achievements since 7 February.

Monday, 22 July, at approximately 1400 hours [1800 GMT], a group of people dressed in olive green army uniforms fired on Rado Cacique. The Committee condemns this act; it also points out that this is not the first blow the Macoutes have struck against the press since the beginning of the crisis. We recall last 3 July, when the Macoutes shot at (Laforet), a Radio Cacique journalist, while he was doing his job. During the same period, the repressive forces working for the existing provisional National Government Council [CNG] so that it can remain in power almost succeeded in doing away with Kompe Zoboy, a Radio Arc en Ciel journalist. In St Marc, the Army is not timid. It did not hesitate to enter a radio station to snatch a pastor as he spoke.

The Committee wishes to say to the Haitian people that these actions are not the isolated acts of a few minor Macoutes. These actions are like the things Francois Duvalier used to do back when he was establishing his dictatorship. In all countries where a dictatorship is establishing a foothold, the dictatorship begins by attacking the press, so the people will have no means to protest -- and that is why we see General Namphy, in the speech he made at the military academy on Friday, 17 July, beginning to make threats against people who are using free speech to help the Haitian people understand its right to defend its Constitution.

Vis-a-vis this great danger hanging over the head of freedom of the press -- which is democracy's main tool -- the Committee of the 57 asks the Haitian people to stand their ground and protect journalists and radio stations doing a good job and to censure the national television station, which lies constantly just as under Jean-Claude.

We call the attention of all citizens to the fact that all these underhanded dealings are occurring the week prior to 29 July, the date the Macoutes used to celebrate their anniversary.

Long live freedom of the press! Long live the Constitution of 1987! Long live democracy in Haiti!

[Signed] For the Coordinating Committee, 21 July: Jean-Claude Bajeux, for Konakom [National Committee of the Congress of Democratic Movements]; Jude L. Jean-Jacques, for Liaison Committee of the Democratic Forces No 1; Edriss Raymond, for TANDENN [expansion unknown]; Jacques Pascal, for ZEL [Students Affairs]; Daniel Narcisse, for Liaison of the Democratic Forces [as heard]; and Serge Gilles, for BIP [Patriotic Unitarian Bloc/Bloc for Patriotic Unity].

IFOPADA ISSUES PRESS RELEASE ON SITUATION

FL212214 Port-au-Prince LE NOUVELLISTE in Creole No 33.034, 18-19 Jul 87, p 4

[Press release issued by the Union of Patriotic and Democratic Forces, IFOPADA; place and date not given]

[Text] There are lots of -ism's being slung around these days, and much maneuvering being done, in an attempt to divide the people. The Union of Patriotic and Democratic Forces [Inyon Fos Patriyot ak Demokrat Ayisyen -- IFOPADA] asks the Haitian people to make sure their heads are in the right place, so that they will know where they are going and how far they want to go.

IFOPADA says to the Haitian People: There will be no end to Duvalierism without an uprooting of it. Whenever you see Duvalierists lying low, you can be sure they are preparing to give you a hard time. They are gathering their strength in order to be able to strike a harder blow futher along the line.

IFOPADA also says: DEMOCRACY will not have a chance to develop in Haiti if we fail to make the Army stick to its role; if we allow it to continue to meddle in political matters.

IFOPADA says: The people's VICTORY cannot depend, to however small an extent, on the goodwill of the military -- on the patriotic members of the Armed Forces. At this point, what is important is to know how we are going to continue the struggle; how we are going to ORGANIZE and better DEVELOP this struggle; what FORM the people's struggle to overthrow the Macoute National Government Council is going to take.

IFOPADA says: The people's victory depends on the people's battle, on the people's struggle.

For IFOPADA Paul Denis, Louis Felix Paul

ST VINCENT AND THE GRENADINES

GUADELOUPIANS TURNED OVER TO FRENCH AUTHORITIES

FL211758 Bridgetown CANA in English 1714 GMT 21 Jul 87

[Text] Kingstown, St Vincent, July 21, CANA -- Four French men and a woman wanted in Guadeloupe for acts of terrorism were handed over to French authorities here today. The five -- Victor Reinette (27), said to be leader of the group, his reputed girlfriend, Michele Fabre (30), whose occupation has been stated as teacher, professor Raymond Bernard (59), Marie Joseph (40) and George Marechaux, a pilot, were picked up at a St Vincent hotel early this morning after local police were tipped off that the group was here.

A couple days ago, they were put out of Suriname after being refused political asylum there. A French military transport aircraft flew here early this morning with a contingent of French security personnel who took the five back to Guadeloupe. The group arrived here yesterday afternoon on a private single engine Cherokee six aircraft which pilot Marechaux said was chartered in Guadeloupe.

He said they had come from Guyana and had originally intended to fly to Grenada, but were diverted here for fuel which was not available in St George's.

Pictures of three of the five appear on a wanted poster in Guadeloupe with four others, listed as the most wanted men for acts of terrorism. Three others have already been taken into custody in Guadeloupe. During interrogation in Suriname a few days ago, some of the group claimed to be members of an independence movement in Guadeloupe headed by legal opposition parties in the country.

A banned group, the Alliance Revolutionaire de Caribe (ARC), has allegedly carried out periodic bombing campaigns in Guadeloupe and it is unclear if the five are suspected of being connected to that group. As they were being taken on board the aircraft, one of them turned to reporters and said in English: Boo St Vincent.

ESQUIVEL ACQUIRES HONDURAS' 'PRO-AMERICAN' STANCE

FL151729 Bridgetown CANA in English 1958 GMT 14 Jul 87

[Text] Belmopan, Belize, July 14, CANA -- The AMANDALA Newspaper, which has been considered a government ally, has criticized Belize's policy towards the United States, saying Prime Minister Manuel Esquivel's administration does not appear to have a mind of its own. In an editorial, the paper said Belize now looked as pro-American as Honduras.

It also complained that Belize is losing to neighbouring Guatemala in the two countries' diplomatic thrust in the region regarding their long-standing border dispute. The paper said the Government of Guatemala, which has a claim to Belize, has been achieving brilliant public relations victory after public relations victory. In a country which has always been considered almost an American satellite, President Vinicio Cerezo in Guatemala City has created the impression to the region that he is charting its own course, the paper asserted.

Particularly with respect to Nicaragua, it added, Cerezo has refused to be drawn into Washington's mood of hysteria, and he has therefore gained the respect of countries like Mexico, Costa Rica, Panama and of course, Nicaragua itself. These countries all supported Belize's independence and right to self-determination and territorial inviolability, but they have watched Belize become so pro-American as to look like the contra nation itself -- Honduras.

The paper said the Esquivel government has given the impression of being more ideological than nationalistic in its foreign policy.

It added: The previous People's United Party [PUP] government usually ended up paying Washington its respect due, but the PUP always performed a little dance of rebellious nationalism before entering the American bridal chamber. In the Third World, where Belize resoundingly belongs, these symbolic gestures are inordinately important, the paper remarked.

It said that Esquivel's party Belmopan has not even tried to appear to have a mind of its own. [sentence as received]

Hyde asserted that Belize has been beaten diplomatically by Guatemala since the United Democratic Party took over as the Government of Belize.

BRIEFS

COCAINE FOUND -- Belmopan, Belize, July 14, CANA -- A Belize court has slapped a 270,000 dollar (one Bel dollar -- 50 U.S. cents) fine on 25-year-old Colombian visitor Carlos Mora Amado for illegal possession of cocaine. He pleaded guilty to the possession charge, brought by police who said they had found almost nine pounds of cocaine in a hotel room where he and another Colombian were staying. His companion, 26-year-old Hector Meza, pleaded not guilty and is being held in police custody. The two arrived in Belize City from Colombia last Saturday and they were trying to get visas to Mexico when police became suspicious. The police said that when they raided the hotel room they found the drug in the straps and inner lining of a travel bag and between the pages of six books in the bag. Police say that this has been one of their biggest takes from a cocaine raid. [Text] [Bridgetown CANA in English 2143 GMT 14 Jul 87 FL]

DUARTE 'NOT OPTIMISTIC' ABOUT PRESIDENTIAL SUMMIT

PA222120 Paris AFP in Spanish 0108 GMT 22 Jul 87

[Report by Ana Cristina Hasbun]

[Text] San Salvador, 21 Jul (AFP) -- Salvadoran President Jose Napoleon Duarte today was not very optimistic about the possibilities of the Central American presidential summit scheduled for 6-7 August in Guatemala City.

"I am pessimistic in my analysis, but optimistic in my actions. I am preparing myself for the worse; then I think of ways to minimize the negative results," Duarte said in an exclusive interview with AFP.

Duarte said that on Monday he spoke by telephone with Costa Rican President Oscar Arias and today with Honduran Foreign Minister Carlos Lopez Contreras. The purpose of the conversations was to agree on the holding of two foreign ministers' meetings prior to the summit.

That initiative is shared by Guatemalan President Vinicio Cerezo, with whom Duarte met over the weekend at a Salvadoran tourist center where a congress of the Christian Democratic Organization of America (ODCA) was held.

The two presidents agreed to propose to their Costa Rican, Nicaraguan, and Honduran counterparts a foreign ministers' meeting in Honduras, which would also be attended by the Contadora Group's foreign ministers (Mexico, Panama, Colombia, and Venezuela). That meeting would be followed by another one in Guatemala.

The first meeting could take place early next week, according to Salvadoran Foreign Minister Ricardo Acevedo.

Duarte said that "it is only fair to admit" that the Contadora Group "has a right to express its opinion regarding the Arias plan," the goal of which is to achieve peace on the basis of the democratization of the Central American nations.

However, Duarte said that only the foreign ministers of the five Central American countries should participate in the second meeting to prepare an agenda for the presidential summit.

Duarte rejected reports in the sense that Philip Habib, U.S. special envoy for Central America, talked him into requesting the postponement of the summit, which was originally scheduled to take place at the end of June.

Duarte said that he proposed to Costa Rican Foreign Minister Rodrigo Madrigal that the summit be postponed until August in view of differences between Guatemala and Honduras on plans for foreign ministers' meetings in those two countries on the same date.

Duarte agreed with U.S. observations on the Arias plan, which proposes a cease-fire between the government and guerrilla forces.

"How could we convince the rebels to accept" a cease-fire, Duarte asked.

"The Arias plan must contain a methodology for that situation, as it would mean that El Salvador would hold a dialogue with the guerrillas, but that also in Nicaragua there would be a dialogue between the Sandinist government and the contras," he said.

Duarte said there is a difference between a domestic political possibility of peace talks with the FMLN guerrillas, "for which I am ready and willing," and a dialogue to agree on a cease-fire within the framework of a regional commitment.

However, he added, in the first case, the FMLN "must admit that violence is not the legitimate path to achieve power, and must join the democratic process."

On another subject, Duarte expressed his government's concern over the current events in Panama, where "people are struggling for the full exercise of democracy."

"It would seem logical to create a Contadora Group to become involved in Panamanian affairs, as Panama created a Contadora Group to become involved in Central American affairs," Duarte stressed.

DUARTE SAYS NICARAGUA INSTIGATING DEMONSTRATIONS

PA221940 Buenos Aires REUTER in Spanish 0227 GMT 22 Jul 87

[Text] San Salvador, 21 Jul (REUTER) -- President Jose Napoleon Duarte said today that the wave of demonstrations against his government has been partially instigated by Nicaragua, in an attempt to frustrate regional peace efforts.

During an interview with REUTER, Duarte said that the military authorities were ready to arrest the leaders of the protest, but that he asked them to refrain from doing so, in order not to worsen the situation.

This year, the National Union of Salvadoran Workers (UNTS) has promoted a series of protest actions against the U.S.-backed government. Meanwhile, the return of leftist guerrillas to the capital threatens the government's stability.

Reiterating previous statements, Duarte said the UNTS is directed by FMLN guerrillas.

However, he added a new factor in today's interview. "The FMLN carried out its actions here following orders from Nicaragua," he said.

Duarte noted that a document issued by the Nicaraguan Government was found outlining a plan to increase military tension in Central America. The document included escalating actions at the Nicaraguan borders and provoking clashes between Honduras troops and the U.S.-backed "contras" rebels struggling to overthrow the Sandinist government.

In El Salvador, the protests promoted by leftist unions and students were aimed at destabilizing the government and possibly provoking a military coup, Duarte said.

"The FMLN and Nicaraguan Government documents establish the objectives of the UNTS and contain instructions to the unions on how to begin the destabilizing process," he said.

Duarte said the goal is to frustrate any advancement of the peace plan proposed by Costa Rican President Oscar Arias.

President Arias' plan is aimed at seeking negotiated solutions for the wars between Nicaragua and El Salvador [as received] and calls for more democracy in Nicaragua.

In previous statements for REUTER, Western and Latin American diplomats said the alleged Sandinist document could be false, and mentioned the possibility that it could have been issued by the contras.

The Sandinists have admitted they supplied weapons to the FMLN, while El Salvador was the center of a U.S. operation to supply weapons to the contras.

Duarte's government has also resorted to documents seized from the guerrillas to explain the urban protest movements.

"They wanted a massacre on the streets to get worldwide publicity. However, their violence and intransigence have outlawed them," Duarte said.

Duarte said the military forces were ready to file charges against the UNTS leaders. However, the government has decided to wait before ordering their arrest.

Consulted about last Wednesday's incident in which security forces wounded three people when they opened fire to stop a protest march, Duarte said the police were not instructed to fire at the demonstrators, and they only fired shots in the air.

Duarte stressed that he has no objections to labor protests when the demands are just. "In a democracy, the trade unions should be allowed to express their views on labor matters. The problem is that sometimes this right is used as a political instrument to destabilize a government or to support guerrillas," he said.

Duarte expressed his confidence that the country will overcome the current crisis, because people do not respond to leftist calls, stressing that he has the Army's support.

COPREFA BULLETIN LISTS FMLN CASUALTIES, ACTIONS

PA221818 San Salvador Radio Cadena YSU in Spanish 1730 GMT 20 Jul 87

[Coprefa news bulletin; date not given]

[Text] The FMLN has sustained 14 casualties in fighting with the Army.

Three terrorists were killed and three were wounded in a clash between guerrilla columns and troops of the 1st Infantry Brigade. The clash occurred last night at approximately 1900 at (Los Masariegos) village in Cuscatlan. Following the clash, the following war materiel was seized: two M-16 rifles, one M-72 grenade, a booby trap, and other war supplies.

Another subversive was killed and three were wounded in a clash provoked by an extremist column with troops of the 6th Infantry Brigade in the vicinity of Joya Ancha Abajo Canton, Santa Elena Jurisdiction, Usulutan Department. In addition, an M-16 rifle was seized.

In other developments, an extremist was killed and another one was wounded in a clash with members of the Civil Defense guarding Apopa. The official reports indicate that the clash took place as the terrorists looted several Apopa residences.

Another subversive was killed in a clash between his column and troops of the Engineers' Military Battalion while the troops were in the area around El Salto Canton, Zacatecoluca Jurisdiction, La Paz Department. After the clash, one M-16 rifle and other war supplies were seized.

A terrorist died when his column clashed with personnel of the Ramon Belloso Battalion at (El Escobillal) hill, Las Vueltas Jurisdiction, Chalatenango Department.

FMLN terrorists killed Jose Rogelio Natividad and Arnulfo Aviles Aquino over the weekend. The terrorists took their victims from their homes in Las Animas Canton, of San Martin Jurisdiction, San Salvador Department. The reason for this double murder has not been determined.

Moreover, subversives killed Francisco Maldonado early yesterday morning when they violently broke into Maldonado's home in El Chorro village, Lislique Jurisdiction, La Union Department. In addition, Jorge Antonio Pineda Ramirez and Maria Elena Reyes were injured when they inadvertently came into contact with an explosive device the terrorists had planted on 6th South Avenue, Santa Ana. Carlos Gonzalez Cubillas was seriously wounded in his left leg when he stepped on a booby trap on Sunday afternoon while doing farm work in Copinol Canton, Zacatecoluca Jurisdiction, La Paz Department.

FMLN rebels kidnapped peasants Efrain Orellana and Rafael Rivas. The reports indicate that the terrorists went to their homes in (Los Adelines) Canton, (Guacastiaqua), Morazan Department and took them away. Their location is unknown.

ZEPEDA ON SELF-DETERMINATION, U.S., USSR TIES

PA220243 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 20 Jul 87

[Interview with Attorney General Ruben Zepeda by Julio Valdes in Tegucigalpa; no date given -- recorded]

[Text] [Valdes] The U.S. Congress has exerted pressure on the Honduran Government concerning the Temistocles Ramirez case. We asked the attorney general of the Republic what the solution might be to rid ourselves of a permanent economic dependence on the United States.

[Zepeda] We could talk to the Soviets.

[Valdes] Do you advocate that?

[Zepeda] I did not say that. However, we are a sovereign and independent nation, and we have to see what is better for us; we must not be chauvinists. We must realize that we are poor: we are a poor nation, we are a poor country; but we have a large amount of dignity concerning respect for our sovereignty. Also, the Soviets are eager to help Honduras. So, why should we not maintain diplomatic, commercial, consular, and cultural relations with the USSR?

[Valdes] The Sandinists [words indistinct]?

[Zepeda] I defend and will defend the nations' right to self-determination, peace, freedom of thought, freedom of expression, religious freedom, economic freedom, and freedom to move around. However, this does not imply that we are registered at Connecticut Avenue or Pennsylvania Avenue -- which is where the United States has the headquarters of its power.

[Valdes] Does seeking the Soviets' help represent the best solution to this problem?

[Zepeda] No. You (?must phrase) your questions differently. I did not say this was the best solution. We must seek the best options to attain the country's economic development. If the Soviet Union is able to help us under better conditions, purchase our staples... [corrects himself] purchase the few staples that we export to other markets under better conditions and better prices, why should we restrict ourselves to the [name indistinct] and Castle and Cooke -- which purchase our products [words indistinct] competitive prices in other markets? [Words indistinct] legal aspects of the case, but as a citizen I say that I have no fear of being labeled as pro-Soviet or pro-Yankee. I am a Honduran, and I believe that our country should seek other options which are more convenient for Hondurans.

[Valdes] Certain people have issued statements and indicate that we must exert pressure on the United States. This includes demanding the withdrawal of U.S. military bases from our country.

[Zepeda] That is an entirely different matter. It is one thing to have commercial relations based on mutual respect with a country where all the people's rights are restricted -- even the freedom of thought -- and another to consider the defense of our democratic regime. We have a Marxist-Communist regime 200 miles from Tegucigalpa. The Soviets have seized two-thirds [as heard] of the world since they implemented a revolution in 1917, and they are ruled by the Supreme Soviet. I have never seen them hold elections so the people could seek their own future; there is repression and the firing squads are still being used. I really oppose this, I definitely oppose this.

However, their relations [words indistinct]. There are many countries within the socialist orbit, including the GDR and Czechoslovakia. We should not be more papist than the pope. The Coca-Cola Company and the Bank of America, themselves, have opened a branch or agency in Beijing's main square. Consequently, we should not [words indistinct]. I reassert that the defense of our moral, legal, and spiritual principles should be an entirely different matter; it should not be mixed with bureaucratic and commercial matters.

I said the other day...[changes thought] I do not know if I said this, but I might have already said it: It seems that Theodore Roosevelt is being exhumed. Do you remember the theory of the big stick? Theodore Roosevelt said: You must go to Latin America walking softly but carrying a big stick. We are in the 20th century and things are no longer settled in that manner. They are being very careless -- perhaps because they are in a pre-electoral period -- and think they can attack President Reagan and play with our country's dignity at will.

The truth is that we must protest. The Honduran Congress represents the people's will and it should act accordingly, issuing a strong protest against the U.S. Congress' behavior. The U.S. Congress has stated: If you do not reach a settlement you will have to go to court. However, that is not correct either. The U.S. Congress should not tell our country what it must do.

RAMIREZ ON ICJ CASE, CONTADORA PEACE EFFORTS

PA191359 Managua Domestic Service in Spanish 1200 GMT 18 Jul 87

[Text] Nicaraguan Vice President Sergio Ramirez Mercado has told the press in Madrid that the Nicaraguan Government offered to negotiate with the Costa Rican Government for the withdrawal of the charges presented before the International Court of Justice in The Hague. During a stopover in Spain following a visit to the socialist community, Sergio Ramirez said that the Sandinists have won the war against the contras and that the U.S.-armed groups can only carry out terrorist actions despite the $1 billion [as heard] they have received from the White House. The Nicaraguan vice president continuously states that Contadora peacemaking efforts are the only alternative to achieve peace in Central America and that Ronald Reagan's (?attitude) toward Arias' peace plan for Central America and the Esquipulas summit should be a lesson for the Costa Rican and Guatemalan presidents.

RAMIREZ RETURNS FROM EUROPEAN, AFRICAN TOUR

PA180328 Managua International Service in Spanish 2300 GMT 16 Jul 87

[Text] Nicaraguan Vice President Sergio Ramirez Mercado returned today to Nicaragua after visiting several European and African countries, including Libya, Algeria, and Yugoslavia. Upon his arrival in the country, Vice President Ramirez Mercado was welcomed at the Augusto Cesar Sandino International Airport by revolutionary government officials.

CARRION ATTENDS CELEBRATION IN JUIGALPA

PA190400 Managua Radio Sandino in Spanish 1930 GMT 17 Jul 87

[Text] Deputy Interior Minister and Commander of the Revolution Luis Carrion this morning attended the ceremony held in Region No 5 to commemorate the 8th anniversary of Juigalpa's liberation. Commander Carrion highlighted the progress attained in Region No 5, which had traditionally been in the hands of large landowners. He said that 675,000 manzanas of land have been given to more than 10,500 families; 675,000 manzanas of land have been given to more than 10,500 families [repeats the figures]. Following is an excerpt of Commander Carrion's speech:

[Begin recording] We will struggle... [corrects himself] We will continue to struggle to defend our achievements -- which are many -- and the revolution's achievements for the people [words indistinct]. We have given out 235,334 manzanas of land during the last 8 years to peasants in this region, meaning in Region No 5, some 5,976 -- practically 6,000 -- peasant families have received land here. These 6,000 peasant families representing 30,000 persons, will directly benefit from the land given out in this region.

Furthermore, we have individually given out 43,000 manzanas of land to 1,025 peasant families. This means that over 7,000 peasant families in Region No 5 have received land. This includes [name indistinct], Nueva Guinea, Santo Domingo, Guyapa, Santo Tomas, Juigalpa, Boaco, Camoapa -- all over the region! Many peasants have received land in Nueva Guinea.

NUNEZ TELLEZ SENDS SUPPORT LETTER TO PANAMA'S DIAZ

PA200153 Panama City LA REPUBLICA DOMINICAL in Spanish 19 Jul 87 p 16A

["Letter of Solidarity" from Carlos Nunez Tellez, president of the National Assembly, to Ovidio Diaz, president of Panamanian Legislative Assembly -- date not given]

[Text] Dear president and friend:

On behalf of the Nicaraguan National Assembly and in my own name, it is my pleasure to greet you and express our solidarity with the Panamanian people.

Our countries are victims of the U.S. Government's interventionist policies. Nicaragua understands the just anger of patriotic Panamanians for the U.S. actions violating sovereignty and the norms of international coexistence because we are a country against which the empire has unleashed its fury.

We reject and condemn any action that impairs the sovereignty of a country and the disrespect of international treaties, as we believe these events do not contribute to the pace or the resolution of the Central American region's problems.

We wish to express our friendship and solidarity with the Panamanian people, parliament, and government, in the firm conviction that victory will only be attained by the unity of the countries defending their rights.

Reaffirming my friendship and showing my esteem and consideration, I am,

Fraternally,

Carlos Nunez Tellez
National Assembly President

Honorable
Ovidio Diaz
Panamanian Legislative Assembly President

WHEELOCK PARTICIPATES IN AGRARIAN REFORM DAY

PA192356 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 17 Jul 87

[Text] National Agrarian Reform Day was celebrated today at the Kukra Hill Sugar Mill in Special Zone No 2; 120 families received their agrarian reform titles to 11,000 manzanas.

The families benefiting from this include those comprising the five cooperatives which work in the African palm project. A total of 131 agrarian reform titles were delivered today. Families which were formerly engaged in fishing activities also received their land titles.

The ceremony was presided over Jaime Wheelock, commander of the Revolution and minister of agriculture-livestock development and agrarian reform; Transportation Minister William Ramirez; and Lumberto Campbell, government delegate in the region.

[Begin Wheelock recording, in progress] ...and to confirm that this revolution fulfills its pledges, and to confirm that this revolution defends the poor, downtrodden, and humiliated people. We do not bring false hopes or demagoguery; we bring you the truth. We tell you the land represents your future and progress, and our country's future and progress. We must all join efforts and work with what we have to make our homeland great and defend it always. We have attained progress, and we could mention how much progress have been attained in this region, despite the situation of war. Nevertheless, we will say this entire region only had one health center and a horrible hospital. However, you now have seven important health centers and a medical center. [end recording]

Following the ceremony, the Sandinist leader visited the new hospital, which began operations today in Kukra Hill, and then toured the African palm project installations.

CONTRAS SUFFER 400 CASUALTIES IN NUEVA GUINEA AREA

PA222028 Managua Domestic Service in Spanish 0300 GMT 22 Jul 87

[Text] EPS troops have annihilated 400 mercenaries in the Nueva Guinea area. This was reported by Wilfrido Barreto, FSLN political secretary in Nueva Guinea, during the commemoration of the 8th anniversary of the revolution. Barreto said that the mercenaries suffered those casualties in 300 battles in the Nueva Guinea area. He added that 33 contras were captured during joint EPS and Interior Ministry actions. They are being questioned by the appropriate authorities. Six Somozist leaders were also killed during these actions. Their pseudonyms were: Huracan, Quijote, Diablo, Bigotes, Arlen, Potente, and Gavilan.

Eight counterrevolutionaries were killed on 19 July in two actions in central Zelaya. Wilfrido Barreto said the first action occurred when a group of Somozists tried to seize San Juan in Nueva Guinea, but were repelled by the Sandinist People's militias, who killed four mercenaries and forced the others to flee. He added that in the second action, another group of Somozists entered the Luis Matute cooperative located 6 km from La Esperanza port in Cuatro Esquinas Jurisdiction, where they were also repelled by the militias, who killed four mercenaries.

MANAGUA DETAILS CONTRA CASUALTIES 14-15 JULY

PA180325 Managua International Service in Spanish 2300 GMT 16 Jul 87

[Text] The EPS inflicted 20 contra casualties in northern Nicaragua on 14 and 15 July. The Somozist mercenaries were killed in the community known as Ciudad Antigua, near the Honduran border. This information was given today in the northern city of Esteli by Carlos Manuel Morales, a Sandinist leader in the region.

HONDURAN ARMY REPORTEDLY AIDS CONTRAS' ESCAPE

PA171412 Managua Radio Sandino in Spanish 1930 GMT 15 Jul 87

[Text] According to a military report from Region No 2, a contra task force led by a leader known as Colina was almost completely wiped out by the Nueva Segocia militias.

According to reports, the Honduran Army attacked the Nicaraguan militia forces to protect the flight of Colina and his mercenaries. Apparently the mercenary leader was wounded and taken to Honduras in a Honduran Army truck.

The mercenary task force entered Nicaragua in May to sabotage the activities to commemorate the 8th anniversary of the revolutionary triumph. The force was made up of approximately 60 mercenaries. However, more than 40 of them were killed and 4 were captured.

CAUSE OF CHINANDEGA FACTORY FIRE UNKNOWN

PA222003 Managua Domestic Service in Spanish 0300 GMT 22 Jul 87

[Report by Luis Arrodivi in Chinandega]

[Text] Jose Dolores Berrio, national director of the Food Section of the Industry Ministry, today reported to this station that the losses from the fire at the cardboard factory owned by the Industry Ministry amount to 20 million cordobas. As will be recalled, the fire occurred on the night of 18 July under mysterious circumstances. The fire destroyed 50 rolls of raw material used to produce the cardboard manufactured by the enterprise of the People's Ownership Sector. Berrio said that the revolutionary state now has to obtain [word indistinct] dollars to purchase these rolls of paper to produce the number of cardboard boxes needed by the banana and fish industries. He added that the cause of the fire is still unknown.

DEMONSTRATIONS SCHEDULED AT U.S. EMBASSY

PA230111 Panama City Televisora Nacional in Spanish 0000 GMT 23 Jul 87

[Text] This afternoon, the Coordinating Board of People's Organizations [COPP] reiterated that it will hold demonstrations tomorrow Thursday, and on Friday. COPP leaders said that, despite government instructions, they will demonstrate in front of the Agricultural Development Bank to demand financing for the neediest rural sectors. They are also criticizing the law which frees staple prices they will demand the derogation of the law at the Price Control Office.

Later, the COPP demonstrators will return to the Labor Ministry to demand the derogation of Law 1, which amends the Labor Code. COPP has also announced demonstrations in front of the Chamber of Commerce and the U.S. Embassy for Friday.

EL SIGLO on Demonstrations

PA221723 Panama City EL SIGLO in Spanish 22 Jul 87 p 5

[From "Leaks and Tips" column]

[Text] The Dobermans' clampdown on the protests of the National Civilianization Crusade and the university students notwithstanding, the Defense Forces of Panama will permit new attacks on Friday against the U.S. Embassy and the Chamber of Commerce of Panama. This time Fenasep [National Federation of Associations and Organizations of Public Employees] and other communist unions will be in charge. You are doing fine, boys.

STUDENTS, POLICE CLASH AT PANAMA UNIVERSITY

PA212248 Panama City ACAN in Spanish 2113 GMT 21 Jul 87

[Text] Panama, 21 Jul (ACAN-EFE) -- Antiriot forces and university students have been engaged in skirmishes in the University of Panama campus area since 1000 (1500 GMT) this morning. Several students have received buckshot wounds.

The policemen are firing buckshot and teargas in response to the rocks that groups of students are throwing at them from the campus, where hundreds of students remain in spite of the order to leave the area issued by the academic authorities.

According to university leaders, Colonel Leonidas Macias, commander of the police forces, has agreed to remove the antiriot agents from the area if the students agree not to carry out demonstrations outside the university.

This morning more than 600 students initiated a march around the campus but were dispersed when they had marched some 500 meters by antiriot (Doberman) forces. The students fled to the most important higher-education center of Panama.

Later, student leaders of diverse ideologies asked University of Panama Rector Abdiel Adames and other authorities to mediate in favor of the withdrawal of more than 100 agents of the antiriot forces who were posted this morning along the three streets around the university.

Rector Adames, accompanied by vice rectors and deans, spoke with Major Oliva, commander of the antiriot operation, and the major told them that most policemen would leave the area although several agents would remain to respond to attacks from those who from the campus were throwing Molotov cocktails and rocks, he said.

According to eye witnesses, the windshields and windows of at least five cars were broken by rocks thrown by the students. Inside the university, Adames told hundreds of students that the police had decided to withdraw. Shotgun fire could be heard as he spoke. The students explained that they were carrying out a march around the university and the skirmishes began when the police prevented them from marching.

The University General Council today had disapproved the carrying out of a march through the streets around the university to protest the violation by the Army of the rights of demonstrators and of people arrested 10 days ago. However, student sectors insisted in carrying out the march.

Students from several schools of the university have officially left the installations, and academic activities are suspended.

Television on Protest

PA222224 Panama City Circuito RCP Television in Spanish 1730 GMT 22 Jul 87

[Text] Four people were wounded by buckshot during yesterday's demonstration by University of Panama students. University Rector Abdiel Adames refers to this:

[Begin recording] [Adames] Yesterday morning, the students, who had organized a peaceful and orderly march to protest the violation of university autonomy and human rights, left the university campus to make known their protest to the Panamanian community. The students were repressed by the Defense Forces and they had to return to the central campus. At the time, they had only gone as far as the area of the Social Security Hospital.

[Reporter] Nevertheless, you were opposed to the march?

[Adames] We were not opposed to the march. We did not disapprove of the march. We only tried to explain to the national community through a communique signed by the university deans and authorities, that because of the misinformation indicating the march was official and approved by the university general council, we were stating that the council had not approved the march because it had no opportunity to do so, as there was no quorum in the last council meeting.

[Reporter] Do you have any report of people injured in yesterday's demonstration?

[Adames] We received a report yesterday that, unfortunately, four people were wounded by buckshot. [end recording]

CIVILIANIZATION CRUSADE ISSUES STRIKE COMMUNIQUE

PA212337 Panama City EL SIGLO in Spanish 21 Jul 87 p 30

[Communique issued by the National Civilianization Crusade in Panama City dated 20 July]

[Text] The National Civilianization Crusade was organized on 9 June 1987 to voice the people's rejection of the military regime that is notorious for its arbitrary actions, crimes, injustices, and outrages against the basic rights of man. The crusade reflects the feelings and needs of the nations, and advocates the following goals:

1. To demand the immediate removal from their posts of all public officials who have been accused and are involved -- both civilians and militarymen -- until the facts and charges have been clarified.

2. In view of the lack of credibility of the organizations entrusted with administering justice, the crusade requests the formation of an independent commission with full guarantees so that it will be able to carry out the investigations and the pertinent trials.

3. To recover and rebuild the institutions that will guarantee justice and a true democratic system.

In view of the seriousness of the protests that have taken place in Panama City, the progovernment parties and the president of the Republic notified the local media that a dialogue was the method for solving the crisis. However, because in the past the national government has never abided by any commitments, the representatives of the crusade did not accept the call and, in addition, the crusade stated that moral principles, liberty, justice, and democracy are not negotiable.

In sharp contrast with its calls for a dialogue, the national government -- rather than heeding in an effective and true manner the goals of the crusade that are the aspirations of the Panamanian nation -- once again sowed terror on 10, 11, 12 and 19 July by unleashing a brutal, indiscriminate, stupid, irrational, and unjustified repression against peaceful protest (banging pots and waving white handkerchiefs) in a manner that was out of all proportion and a vain attempt to disorganize and silence the protests.

However, the citizens grouped around the National Civilization Crusade have renewed with greater strength and power their willingness to achieve its goals, and therefore, have received more and more support from the various communities throughout the country.

It has been 42 days since the Civilianization Crusade was organized. To date, the national government has done absolutely nothing to show it is willing to yield to the demands of the Panamanian people. On the contrary, it has answered with repression and violence, which entail a moral and economic ruin that is hovering over the country. The national government is the sole responsible party for this, because it is the government that originated the causes.

In view of the above, The National Civilianization Crusade is aware of its responsibility concerning the future of the nation and therefore reiterates its initial objectives and states it will not allow the national government -- along with General Manuel Antonio Noriega -- to continue irresponsibly along this path of repression and violence and lead the country to a moral and economic ruin that will affect all Panamanians, and above all the poorer sectors. Therefore, the National Civilianization Crusade calls on all Panamanians -- workers, professionals, housewives, religious or political beliefs -- to a first 48-hour general strike -- which can be prolonged -- as of Monday, 27 July, to repudiate the government's refusal to confront its obligation to meet the people's demands.

Issued in Panama City on 20 July 1987.

Unions Not To Support Strike

PA220140 Panama City ACAN in Spanish 0018 GMT 22 Jul 87

[By Hernan Martin]

[Excerpt] Panama City, 21 Jul (ACAN-EFE) -- The announcement that local union will not support the general strike declared by the opposition to demand the dismissal of the government and General [Manuel Antonio] Noriega has cast doubts on the future success of this measure to exert pressure.

The opposition "Civilianization Crusade" convoked a 48-hour general strike for next Monday [27 July] which is being considered an arm-wrestling contest to measure its strength against the government of President Eric Arturo Delvalle.

Even though the National Council of Organized Workers (CONATO), the most important labor union in Panama, and the federation of government employees said that "some changes are necessary" in the country, they also announced that they will not support the strike, and added that they will give the government an opportunity to "rectify" its policy.

For starters, this announcement means that the 150,000 government employees organized in the National Federation of Associations of Public Workers (Fenasep), and the 250,000 employees that comprise CONATO will not support the strike, and this means that the prssure will decrease.

Nevertheless, the two labor organizations, have threatened to declare strikes "if the people's demands are not met soon." However, this will be done independently from the "crusade's" strike, because the labor organizations do not support it's struggle "for political power."

The two labor organizations state that their protests do not seek the goal being sought by the "Civilianization Crusade" since June, and asserted their readiness to participate in a dialogue and seek a solution to the current crisis.

Furthermore, the Banking Association, a labor group comprised of 130 banking organizations from 26 countries, which is headquartered in this capital, asserted that it will not support the strike either; adding that the bank branches in the sector will be open for business next week.

Nevertheless, as there is no labor union of banking employees in Panama, no one knows if the approximately 10,000 banking employees will support the strike despite the decision.

Even before this situation developed, the report issued on Monday to announce the strike also revealed the creation of "vigilance committees" to enforce "the corresponding citizens' punishment" against stores that do not support the strike.

The National Association of Independent Teachers, which is part of the Civilianization Crusade, and which will participate in the creation of these 'vigilance committees," urged the people "not to use any means of transportation or purchase anything in the stores that are open for business."

Likewise, the Fenasep has reported that 40 public officials have been fired for "political reasons," after joining the protests being coordinated by the Civilianization Crusade. [passage omitted]

NORIEGA ON TREATIES, CONTADORA, ECONOMY

PA210148 Panama City Television Service in Spanish 1530 GMT 19 Jul 87

["Repeat" of interview with General Manuel Antonio Noriega, commander in chief of the Panamanian Defense Forces, by Spanish reporter Manolo Alcala; date and place not given -- recorded]

[Text] [Alcala] Do you think the U.S. Government posture indicates it does not intend to return the canal to Panama in the year 2000 as set forth in the Torrijos-Carter Treaties?

[Noriega] According to international law governing treaties signed between two countries, such as the Torrijos-Carter Treaty, the U.S. Government should return the waterway to Panama. In addition, however, we have seen the U.S. Government pass amendments and laws which invalidate the treaties and raise obstacles to their fulfillment. For instance, the latest barrages, disturbances, and attacks have endangered the canal's return. Authorities, however, have said: We will fulfill.

We Latin Americans are a mixture of Indians, blacks and Spaniards. Because of this, we are distrustful, particularly when we consider certain laws and attacks. The attacks against Torrijos before the treaties, in 1976, his being harassed, and the strange things attributed to him were all aimed at stopping his struggle for Panama's rights. All these things make Panamanians, a generation grown up distrustful because of this threat, regard the situation with a certain doubt. Let us not say we doubt, but that we regard the U.S. Government's good intention with a degree of doubt.

We are afraid Mr So-and-So will propose a bill one of these days saying Panama is not prepared to get the canal back because its technological ability, and its social development preclude the nation from exerting this right.

[Alcala] And Contadora, General? Somebody has said Contadora's objectives are rendered inoperative if Panama is destabilized. Do you think the Washington government intends to do this?

[Noriega] Look. We Panamanians are regarded entirely differently. This is why we are not considered part of Central America, or South America, and much less North America. We have a deep sense of reality. Every time Panama makes a positive move in the search for peace, every time it does not align itself with certain directives, the country is attacked and its leaders must bear disturbances. All this operates in unison. Insult precedes plotting. Had we been a silent country, if Panama had not been a member of Contadora, and if its leaders had been yes men, Panama, its leaders, and its people would not encounter any difficulties. Panama is not like that, however, because Panama actively seeks peace. Geopolitically speaking, Panama will be the prime participant in this problem. For this reason, Panama seeks to neutralize violence at all costs. Violence can be neutralized in several ways. One way is to consider what the northern people want. Another is to ponder what the people of the center want. Still another is to take into account what those who suffer violence want.

[Alcala] Gen Noriega, it is evident you enjoy Cuba's support. Perhaps this is why many think a possible turn to the left of the Panamanian regime. Is this likely to occur?

[Noriega] I don't think so. We should not regard things so lightly. The idea is not to have Cuba's support, ideological or otherwise, per se. It is the coincidence of actions and posture, it is all right. Very well. But Panama does not agree with Cuba in many other aspects. Back to Torrijos' time. He was sought after by senators and organizations to serve as a bridge to rescue men, specifically Captain Villa, who had strafed beaches and killed a number of men. Villa was held prisoner in Cuba. But U.S. organizations, men, and officials wanted him out. So why did they asked Torrijos to get Villa out? So these coincidences are timely when they are profitable, but ideological when they do not profit from them.

[Alcala] General, what do you think of Marxism as a system of government in Central America?

[Noriega] Marxism was not made for Latin America. Our people, our political organizations, have their own sense of origin. They have their own sense of culture and outlook. We are an Indian America. Marx was not born in these lands. The industrial revolution was not made here. Our peoples are of a different nature. I repeat what I said before: We are a mixture of the Spaniards who came to this land and mixed with the Indians. Later the black people came. This mixture gives us our own characteristic. Marxism is not a Latin American solution. Marxism, or any other ideology, is not the solution for the peoples. Each people have their own and natural solution. This solution is in accord with their needs, goals, people, and their regime on earth [regime telurico].

[Alcala] General, Panama's economic situation is worsening. How are you planning to resolve this problem?

[Noriega] The economic situation is not only in Panama. These international monetary organizations indebted Latin America in 1970. Whenever they found themselves with a surplus of Arab dollars, they would come here, come to these countries and say: Look, you have this number of millions and you are not taking them. In this manner they began to indebt Latin America. The experts at the schools of economics in the North were the ones responsible for the reorganization of the economic systems in Latin America. They indebted Peru with their suggestions; they indebted all of South America -- Brazil.

They landed [aterrizar] in Panama, my country, and made the country create a banking family. They built the banking center here; it was a U.S. brainstorm. Now they want to destroy Panama's banking center -- their own brainstorm, their creation, a center they manage. They want to destroy it because of certain currents that cannot be controlled from the big countries, because of the currents produced by the narcodollars. Now they claim that the banking center is no good and it must be destroyed.

We can see Panama is not an isolated case. Panama can be compared to Santo Domingo, Ecuador, Peru, Brazil, and all of the indebted Latin America.

[Alcala] Some people think there are foreign interests behind all this. They feel these foreign interests want to see Panama involved in a civil war comparable to the situation endured by other Central American countries like El Salvador, Nicaragua, etc. Do you think this can happen? Do you think Panama could become another convulsed area in Centreal America?

[Noriega] Honestly, and going back to our historic roots, which are the ones that combine our ideas and the geopolitical positions tht determine situations, we know, and we have reached the conclusions that no one is interested -- neither the North or South nor the East or West -- in having Panama become a convulsed area or linked to the Central American crisis. Furthermore, the background of a crisis is not present. There is no background of violence in this country. However, there is a background of violence in the Central American countries currently enduring this situation. We do not have this. Therefore, even if they tried -- and many desperate to achieve power could commit themselves -- the Panamanian people would reject them. We are experiencing a crisis, but I see it as a low intensity political crisis, not a military crisis; alow intensity political crisis.

ARCHDIOCESE COMMUNIQUE ON END TO VIOLENCE

PA170136 Panama City Circuito RPC Telvision in Spanish 2330 GMT 16 Jul 87

[Communique issued by Panama's Archdiocese in Panama City on 16 July]

[Text] Always moved by the desire to illuminate, with the light of faith, the life of our people within the guidelines already expressed by the church, especially in the two communiques issued by the Panamanian Episcopal Conference dated 17 June and 8 July 1987, as pastors of this archdiocese we wish to speak of the incidents that have occurred during the past few days, especially in Panama City.

In his Gospel, the Lord tells us: Verily I say unto you, inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me. Matthew 25:40.

The Second Vatican Council updated these words in accord with our times stating that anything that harms life and violates the integrity of man, such as mutilation, moral or physical torture; anything that offends human dignity such as substandard living conditions, arbitrary arrests, and deportations; all these practices and other similar ones, are shameful, degrade human civilization, discredit the author more than it discredits the victim, and are against the honor due our Creator. Pastoral Constitution, The Church in Today's World, 27 [not further identified]

Before the Lord, and dictated by our Christian and Panamanian conscience, we repudiate and condemn as illegal and immoral the following:

1. The totally unjustified ferocity with which persons, or groups, were repressed whether or not they were participating in civic demonstrations.

2. The violation of the fundamental guarantees established in the National Constitution, such as free movement, inviolability of the home, individual rights, right to peaceful assembly, and freedom of expression that, in fact, unleashed a state of emergency.

3. The inhuman treatment given to arrested persons, especially at the Modelo Jail, where deplorable conditions that harm human dignity exist.

4. Desecration of houses of worship -- National Sanctuary Parish and Guadalupe Parish. The inviolability and sanctity of all houses of worship are recognized by all civilizations and cultures.

In our opinion, these incidents also violate specific points in international agreements on human rights signed by Panama; specifically the agreement against torture and other inhuman, cruel, or degrading treatment approved by the Legislative Assembly and the Presidency of the Republic only a month ago on 7 June 1987.

Because of all the above, we wish to raise our voices strong and clear to demand an end to this repressive violence, and with citizen morale and firmness we will oppose similar manifestations that could represent the beginning of the end of this people who love peace and who have been known to resolve their problems without the use of violence. Second, we demand that responsibility be established and punishment given for the violation of human and legal norms to protect our fraternal coexistence among our people.

A state of law, fully recognized and guaranteed by the authorities and citizens, must prevail. This must also be an essential factor in the actions of the government and its critics, be these the civil or political opposition. This must prevail over the interests of persons or groups. The country's welfare demands this.

The dialogue, so much talked about, must be held with the necessary guarantees already expressed in the communique issued by the Episcopal Conference on 17 June 1987. The dialogue must be held without previous conditions and with the exclusion of the causes and topics that create the current crisis.

We thank those lawyers, who without partisan or personal interests, worked over the weekend for the rights of the arrested persons. On this day when we celebrate the Feast of Our Lady of Mount Carmel, and within the Marian Year, we pray to Her, as Mother of the Church, to ask the Lord to give us, and strengthen among us, the spirit of brotherhood of the great Panamanian family.

On our part, as pastors who are aware of all the charges made against us by the media, even in anonymous and slanderous leaflets, full of hate and violence, we wish to contribute, with our pardon and prayers for all, to the spirit of reconciliation in accord with the teachings, of the Lord: Mathew 5:43,44. Let us work, suffer, and pray for a reconciliation with truth, justice, freedom, and love. Only in this manner will we be able to construct the foundation for a solid and real peace in our Panamanian homeland: John XXIII, Peace on Earth Encyclical; John Paul II, Message for the 1981 World Peace Campaign.

Panama, 16 July 1987

Feast of Our Lady of Mount Carmel
Archbishop of Panama Marcos Gregorio McGrath.
Auxiliary Bishop Oscar Brown Jimenez
Auxiliary Bishop Jose Luis Lacunza
Episcopal Vicar Fernando Guardia
Episcopal Vicar, Cocle, Aurelio Garcia
Episcopal Vicar, Panama West, Jose Luis Andrade
Episcopal Vicar, Panama East, Jorge Altafulla

SUPREME COURT SUSPENDS RADIO, TV BROADCASTS

PY190408 Buenos Aires DYN in Spanish 1116 GMT 18 Jul 87

[Text] Buenos Aires 18 Jul (DYN) -- The Argentine Television and Radio Broadcasting Association (ATA) [Asociacion de Teleradiodifusoras Argentinas] has expressed its "satisfaction" over a recent Supreme Court ruling suspending the broadcasts of a television station and an FM radio station in Formosa, that the government has been "operating illegally," according to ATA.

ATA released a press communique in Buenos Aires stating that "the Supreme Court ruling ratifies Law 22285 on broadcasting and confirms that in view of the sluggishness of the executive and legislative branches in drawing up a law that could replace it, it cannot be ignored by the governments, whose duty it is to comply with the law and not do as they please." The communique added: "ATA, in keeping with its decision to take legal action to protect press freedom, looks upon this court ruling as a propitious sign that television will not be used as an instrument of the state or of provincial governments which have no jurisdiction over this media, but as a channel of expression protected by specific constitutional provisions." ATA also urges "national and provincial governments that may have deviated from the law to think about the institutional seriousness of their de facto attitude." ATA also asked Congress to "urgently enact a law on broadcasting thus providing a democratic solution to the chaos we had predicted 4 years ago, and that is now a painful reality."

The communique stated that "in the difficult circumstances under which the country's broadcasting system is operating, ATA wishes to express its satisfaction over the recent ruling of the Supreme Court which has responded to the petition of the Federal Broadcasting Committee by taking the precautionary measures of ordering the government of Formosa Province to stop the broadcasts of the two clandestine stations that this government has been operating illegally."

Meanwhile, Miguel Maurino, a leader of the Christian Democratic Party has criticized the court ruling and sent a telegram to President Raul Alfonsin stating that "an agency under his jurisdiction is trying to stop the broadcasts of a provincial television channel and a radio station, on our northern frontier, by giving false information to the court."

Maurino, who is president of the Christian Democratic Action, a faction of the Christian Democratic Party, asked the president "to protect the interests of Formosa Province if he has been advised wrongly because his government appears to be working against cultural and pluralist broadcasting in Formosa."

BRIEFS

COMMUNICATIONS, INDUSTRY SECRETARIES INSTALLED -- Buenos Aires, 13 Jul (TELAM) -- This afternoon President Raul Alfonsin swore in Juan Magliano, the new communications secretary, and Juan Ciminari, the new industry and foreign trade secretary. [Excerpt] [Buenos Aires TELAM in Spanish 2309 GMT 13 Jul 87 PY]

VICE PRESIDENT'S NEWS CONFERENCE ON ASIAN TOUR

PY221909 La Paz La Red Panamericana in Spanish 0000 GMT 22 Jul 87

[Text] Vice President Julio Garrett Ayllon said the PRC is willing to cooperate with Bolivia by supplying services and equipment to improve gold exploitation in our country.

The Bolivian vice president returned to the country this afternoon, after having visited the PRC, the ROK, and Japan for approximately 2 weeks. Dr Garrett granted a news conference at the El Alto International Airport. He said that during his visit to the Asian countries, he became aware of the great possibilities of exchange and cooperation. The vice president said the possibilities are particularly good in the field of agriculture and cattle raising at high altitudes, which will improve the quality of these activities in the Bolivian high lands.

According to Dr Garrett's statements, the ROK has offered Boliva excellent possibilities for cooperation through private channels. He also said that Japan has granted Bolivia a $50-million loan through the World Bank. This money will be used in financing joint programs. Garrett said this credit is at the disposal of the country and is an important part of the economic reactivation program. When asked about the Asian opinion about Bolivia, the vice president said:

[Begin recording] I believe Bolivia has regained credibility abroad. I would say everyone admired the achievements of the monetary stability policy. There is a general belief that these achievements should even serve as a model for other countries. I believe we will get more international cooperation now since confidence and credibility prevail in the country. [end recording]

BEDREGAL ON JOINT OPERATIONS AGAINST DRUG TRADE

PY230302 La Paz La Red Panamericana in Spanish 0000 GMT 23 Jul 87

[Excerpt] Foreign Minister Guillermo Bedregal Gutierrez said it is up to the United States to decide whether or not the 3-year plan to fight drug trafficking should continue. Bedregal added that the fight has not been suspended yet. Here are Minister Bedregal's comments:

[Begin recording] We are awaiting the U.S. decision. The ball is in their court. [laughs] Members of the Department of State and some congressional committees are meeting today to discuss the amendments we have proposed. According to the latest news received from Ambassador Illanes, once these amendments are approved, as I expect they will be, we will sign (?the agreements) in the next few weeks. Meanwhile, we have reactivated all the operational mechanisms, now that the problems that we had in the Air Force have been solved. Thus, we will probably go ahead with the operations. [Words indistinct] the signature of the decree which will create a new council for the fight against drug trafficking. [end recording]

Later, Minister Bedregal optimistically commented that Bolivia has gained the confidence of friendly nations and international organizations, which are ready to support Bolivia's economic reactivation. He added that the presence in Bolivia of the IBRD [International Bank for Reconstruction and Development] deputy executive chairman shows that this confidence exists. [passage omitted]

DAILY INTERVIEWS BRESSER ON DEBT NEGOTIATION

PY221821 Rio de Janeiro O GLOBO in Portuguese 20 Jul 87 p 12

[By Flavio Mattos]

[Text] Brasilia -- The most serious problem Brazil may have to face during its foreign debt negotiations could occur if the U.S. government decides to condition the negotiations and agreements with the banks to a previous IMF agreement. In an interview with O GLOBO, Finance Minister Luiz Carlos Bresser Pereira voiced his concern over the issue. He believes that if the U.S. Government insists on conditioning negotiations on the old agreements, the situation will be deadlocked and would benefit no one.

Minister Bresser Pereira will travel to Washington tomorrow night where he will meet with U.S. Government officials, multilateral bank representatives, and IMF members.

One of the first measures the Brazilian Government wants to adopt is to exclude the small creditor banks from the negotiations. The minister explained how that could be done in the following interview:

O GLOBO -- What will be the Brazilian position during the renegotiation of its foreign debts?

Bresser -- The goal of this trip is not to negotiate. Currently we are only interested in negotiating with the private banks. That is why Central Bank President Fernando Milliet, and Fernao Bracher will fly directly to New York to establish a date for the beginning of the negotiations. They will explain, however, that it is necessary to establish a date for the beginning of the negotiations, and that by then, we will present our proposal. I will go to Washington to hold talks with some U.S. Government officials with the multilateral banks and with the IMF. My objective is to present the macroeconomic plan, and say we are interested in meeting our international obligations by beginning to negotiate with the private banks. We have no intention whatsoever of negotiating with the IMF.

O GLOBO -- Last week, the bankers again demanded that Brazil obtain IMF support before beginning negotiations with them. What will be the Brazilian position in face of this demand?

Bresser -- If they demand IMF approval, it will be very hard to reach an agreement. Currently we have no need of, or interest in, agreements based on a stand by [preceding two words in English] to obtain new loans. We want the banks to negotiate with us without conditioning the agreements to IMF approval. Thus, the only condition for obtaining quarterly disbursements must be that we pay our interests regularly. This should be the only condition. It has been known for many years that new systems of negotiation must be adopted. Brazil now has the economic conditions to adopt these new systems. Brazil has a trade surplus, has enough international reserves to be given different treatment from that given to other countries in worse economic situations. Therefore, after we reach an agreement with the banks, we may consider the possibility of making agreements with the IMF. Until very recently, the private banks told me they were ready to make agreements with us without IMF intervention. Now, it seems they have changed their minds. Nonetheless, it is of mutual interest that we normalize our situation. If it is important that both parties reach an agreement, why should the IMF interfere?

It will be very serious, however, if the U.S. Government decides to condition the bank negotiations to a previous IMF agreement. If they insist on that, the situation will remain unsolved for much longer. I do not think the banks, like us, are interested in seeing the problem remain unsolved. We are part of the same economic and political system, and it would be foolish if we decided to oppose each other.

O GLOBO: What does the government intend to do with the small banks that are minor foreign debt creditors but whose large number hinders the signing of a broader agreement?

Bresser: We want to do something similar to what Argentina has done. For instance, we would like to have the so-called "exit bonds," which are security notes issued to the small banks at a fixed interest rate, with long-term maturities of 20 or 25 years and guaranteed interest payments. They take those bonds and stay out of negotiations.

O GLOBO: When does Brazil expect to suspend the moratorium on interest payments?

Bresser: The moratorium will be suspended once we reach an agreement with the banks and they start to make disbursements. For us to suspend the moratorium, the banks should this year enter payments in their books and we will make them good immediately thereafter. The idea is to finance this year the $4.3 billion in nonpaid interests, and next year the private banks will receive 50 percent but will finance 100 percent.

O GLOBO: What's the Brazilian proposal regarding payback periods and spreads?

Bresser: In terms of payback periods, our demands are very similar to those of Argentina. We believe spreads should be much lower, and no spreads at all would be more reasonable. After all, if notes on our debt are being discounted at 35-40 percent, it would seem reasonable for us to pay it back without spreads that are very much lower than those discount rates.

O GLOBO: I believe the plan is well balanced and realistic, and it should be well received. Now, whether it is well or poorly received depends on an economic and political evaluation. If they do not want to reach an agreement with Brazil, they can blame it on the plan; if they want to make an agreement, they can approve it. I am sure the plan is perfectly acceptable for them from the economic standpoint, because it was carefully drafted with due respect for economic laws. The plan was not made for them, but for us to administer the Brazilian economy. The plan was made for us and we will inform them of our objectives.

Bresser Views Scope of Plan

PY222151 Brasilia Radio Nacional da Amazonia Network in Portguese 1000 GMT 22 Jul 87

[Text] Upon releasing his macroeconomic plan yesterday, Finance Minister Luiz Carlos Bresser Pereira said macroeconomic control is fundamental to modern economies and such control must be as clear as possible. The finance minister explained the objectives of the plan:

[Begin Bresser recording] The plan aims fundamentally at guaranteeing the economy's macroeconomic balance, that is, a balance between aggregate supply and demand. It also aims at establishing macroeconomic targets regarding savings, investments, balance of payments, trade-balance surplus, and all other variables that affect macroeconomic equilibrium.

Therefore, the plan is not a specific strategy for the performance of this or that industry. This sort of strategy is not included in the macroeconomic plan. The targets under this plan are set for 3-month periods. Although this plan (?considers) the Brazilian economy since 1981, it in fact focuses on the years 1987 and 1988. The plan concentrates on this 2-year period, and its provisions for subsequent years are just estimates. [end recording]

Bresser Pereira then explained how the expected net tax revenues will be realized under the plan and how they will be utilized:

[Begin recording] We have said that the increase of public sector savings is a fundamental variable in the plan. Today, public sector savings are zero, while 7.5 percent of the GDP is invested, which is incompatible. The discrepancy can only result in public deficit and in the increase of financing needs for the public sector.

The need for financing by the public sector creates difficulties for private investments. When private sector resources are used to finance the public sector, there can be no private investments. Then, the fundamental objective of the macroeconomic control plan over the medium term -- say 5 years -- not over the short term, is to boost public sector savings so an increase of public sector investments on the order of 7.5 percent can be financed. Private investments will increase later.

Now, how can we finance this 7.5 percent increase in public sector investments? We can do this only by raising public utility rates and net tax revenues. How can net tax revenues be increased? Only in one of two ways: by cutting back subsidies and incentives or by raising some taxes. Our intention is to reduce subsidies and incentives gradually, and increase taxes for the rich, if we have to, making taxes progressive. This is quite possible. [end recording]

During his trip to the United States, beginning today, Minister Bresser Pereira will hold formal consultations with the creditor banks. According to the minister, the Brazilian proposal for renegotiating the foreign debt will be presented a month from now. He said, however, that a position has already been defined: The Brazilian Government will not allow creditors to dictate how the agreement should be made.

According to U.S. Ambassador Harry Shlaudeman, explaining the moratorium will be Minister Bresser Pereira's main problem. The ambassador said that Minister Bresser Pereira's success will depend on the proposals he carries, but reasserted that Brazil will be heard with all due respect by the creditors.

GOVERNMENT OFFICIALS, SARNEY ON PMDB CONVENTION

PY210431 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 20 Jul 87

[Video report with recorded portions]

[Text] Planalto Palace today announced that the Sarney administration will try to increase the support it has in the wake of the PMDB [Brazilian Democratic Mobilization Party] convention that took place this weekend.

At Planalto Palace, the 1st day after the PMDB convention was one of waiting. The government is testing the ground and evaluating the results of the convention. According to some presidential advisers and aides, Sarney did not lose at the convention because he wanted the decision on his term in office left for the Constituent Assembly. However, these very same aides refused to explain why Deputy Carlos Sant'anna, government leader in the Constitutional Assembly, kept fighting to the last moment for a decision on the length of Sarney's term in office and against the postponement. According to the advisers, the losers were those who advocated a 4-year presidential term in office.

[Begin recording] [Reporter] Will the president be looking for new political support?

[Presidential Spokesman Frota Neto] The president has always been interested in expanding not only the political foundation of the government but also a national consensus to make sure the new constitution will take into account the rights of the minorities and will respect the rights of these minorities while preserving the rights and gains achieved in the course of the national political process. It is obvious that the Sarney administration wants to strengthen its political and congressional foundation, but it also plans to fulfill the commitments it has with the Democratic Alliance.

[Costa Couto, chief of civilian household] The Sarney administration welcomes any support it may get. That is normal and in keeping with democratic behavior. It is good for the government and the country. [end recording]

PMDB President Deputy Ulysses Guimaraes believes the PMDB convention provided a valuable experience for the democracy. He has discussed the convention with President Sarney.

[Begin recording] [Ulysses] He is an experienced lawmaker. He has been regional and national party president. He knows very well what happens at these conventions, and he reacted very well to the results.

[Reporter] Have the relations between Planalto Palace and the PMDB been upset as some people have said?

[Ulysses] No, I have talked with the president over the telephone. We will meet later when things have quieted down, but things are just as they were before. [end recording]

One of the ministers whose office is at Planalto Palace tonight asked the president for his opinion about the PMDB convention. The president's answer was: The convention is a thing of the past.

Justice Minister on Meeting

PY220245 Brasilia Domestic Service in Portuguese 2200 GMT 21 Jul 87

[Text] Justice Minister Paulo Brossard said today in Salvador that Sarney was not defeated at the PMDB [Brazilian Democratic Movement Party] Convention. Brossard said the organizers, who held the meeting to vote for a 4-year presidential term for President Jose Sarney, were the ones who were defeated. Brossard today presented the Bahia State Government with 70 police vehicles, within the framework of the national program against violence.

MERINO RETURNS FROM 2-WEEK TOUR, RESUMES DUTIES

PY211752 Santiago EL MERCURIO in Spanish 17 Jul 87 p C2

[Text] Admiral Jose Toribio Merino, the Navy commander in chief and a member of the government junta, resumed his duties yesterday morning after returning from a 2-week tour that took him to Israel and some European countries.

The office of the Navy commander in chief reported that Adm Merino arrived in his office at the Defense Ministry at about 0900. He spent all morning on Navy matters.

He also immediately reviewed the emergency situation being experienced by the country. The Navy public relations department gave him a full report on the disaster.

In the afternoon, Adm Merino went to his office in the Diego Portales building, where he focused on legislative matters that concern him, because, besides being a member of the government junta, he also is the chairman of the first legislative commission.

Denies Buying Weapons in Israel

PY221826 Santiago Radio Chilena Network in Spanish 2300 GMT 21 Jul 87

[Text] Admiral Jose Toribio Merino has denied that he purchased weapons in Israel. Money is necessary to buy weapons, he said, and since we are in a tight situation with our foreign debt obligations we have not been able to buy anything. Merino made these statements after a government meeting today. At the meeting, he was asked about the Cabinet change that took place recently during his absence.

[Begin recording] [Reporter] Admiral, what do you think of Sergio Fernandez's appointment?

[Merino] What do I think? I have known him for a long time. He is just another friend.

[Reporter] Admiral, it has been said that you purchased weapons in Israel.

[Merino] I wish I could have. To purchase things you need money, and since we are in a tight position regarding our foreign debt payments we were not able to buy anything. However, we may be able to buy in the future, I guess.

[Reporter] [Question indistinct]

[Merino] To buy weapons? Of course there will always be a need to purchase them. National Defense budgets cover the needs of the strategies planned by the Armed Forces staffs. There never is enough money for this.

[Reporter] Some reports state that a few Israeli Knesset members did not like the fact that you were in Israel. Did you know that?

[Merino] No, I did not hear anything like that. However, there are always false stories. What I read about Chile over there would have made anyone believe that people are killing each other here. [end recording]

Adm Merino was then asked about the government accusations against eight communist leaders for alleged violations of Artice 8 of the Constitution. The government has started a legal process against four publications that published a Chilean Communist Party [PCCh] document.

[Begin recording] [Merino] According to the Supreme Court of Justice, the PCCh, or any other group -- whether financed from abroad or not -- is outlawed. Therefore, whatever such a group does to try to obtain the people's support is illegal.

[Reporter] Admiral, what characteristics do you think the candidate for the 1989 plebiscite should have?

[Merino] As I have said before, I do not have the slightest idea.

[Reporter] Would you favor a 50-year-old civilian, for example?

[Merino] [Words indistinct] [end recording]

Regarding the idea of transferring the national Congress to Valparaiso, Adm Merino admitted it was his idea and it is a step towards decentralizing the country. He said this division of power could help decrease the population of Santiago, which cannot continue to increase.

PINOCHET TO REDUCE PRISON TERMS OF CRIMINALS

PY220323 Santiago Domestic Service in Spanish 2300 GMT 21 Jul 87

[Report from Government House by Graciela Contreras]

[Excerpt] The Press Office of the presidency has reported that the president today approved a draft bill reducing the sentence of some prisoners. It is the president's wish to help the people who have committed crimes recover and return to civilian life. The new law reduces prison terms by up to 18 months.

The law also reduces by 2 months per child under 18-years of age, the prison terms of convicted mothers. Convicts older than 65 years will have their prison terms reduced by 3 months for each year of sentence.

The following people will not be favored by the general reduction: those who committed particularly serious crimes, that is, those who endangered the basic values of national harmony; those who violated the national security law disturbing public order, attacking individual freedoms, the right to life and physical integrity; and those who offended public and family morality and damaged property. [passage omitted]

ARGENTINA'S CAPUTO DISCUSSES CONTADORA, SUPPORT

PA230213 Paris AFP in Spanish 2159 GMT 22 Jul 87

[Text] Bogota, 22 Jul (AFP) -- Today Argentina said it will continue to be a member of the Contadora Support Group, which serves as a mediator in the Central American conflict, only at the request of the regional governments.

Discussing the diplomatic negotiations the Contadora and Support Groups carry out in this area, Argentine Foreign Minister Dante Caputo said in Bogota: "There is tremendous confusion in Central America these days."

Caputo said: "It is difficult to achieve peace between parties unwilling to make peace." He then added: While some countries request help from us, others say they do not want it. He underscored that Argentina is willing to work "whenever and as much as necessary... only they will have to call on us."

Referring to recent remarks on the eight Latin American countries' mediation efforts in Central America, Caputo -- who is in Bogota on an official visit -- added: "Frankly speaking, I have no more desire to hear some Central American foreign minister say that the Support Group meddles in someone else's problems."

Later, he warned: "If the Central American countries want us to help them, let them ask."

Caputo pointed out: "Nobody profits from the efforts of Colombia, Mexico, Panama, and Venezuela (the Contadora Group), and of Argentina, Brazil, Peru, and Uruguay (the Support Group). All of these efforts come from our good offices."

He reiterated: "While governments of this region beg us to come and help them quickly, others say it is not necessary for us to help them that rapidly." "Peace is an exercise in mediation between those who are at least willing to have peace." He said that what is seen in Central America at present "is an interweaving work, confusing at the very least. In this description I am being very generous."

He added: "The interested parties, those who suffer the reality of the war, should be the ones to say what the Contadora and Support Groups should do."

After questioning the intervention of extraterritorial powers in the region in conflict, Foreign Minister Caputo described the so-called Arias plan as positive because, he said, this plan "calls the five nations that participate in the conflict to dialogue."

With Colombian Foreign Minster Julio Londono, Caputo installed the joint Colombian-Argentine Commission. Tomorrow, Thursday, Caputo will meet with Colombian President Virgilio Barco to officially report to him on the upcoming visit to Argentine President Raul Alfonsin to Colombia.

PRESIDENT SUBMITS 'URGENT' ECONOMIC BILL

PA201437 Quito Voz de los Andes in Spanish 1130 GMT 20 Jul 87

[Text] President Leon Febres Cordero yesterday sent an urgent economic bill to the Congress. The bill remits the payment of capital, interest, commissions, and judicial expenses by debtors of the National Bank of Foment through the Baesa, Lago Agrio, and Francisco de Avellana branches. This applies to all debtors who lost their property as a result of the earthquake that rocked the country in March. According to official sources, the bill also remits the payment of all interest accumulated during 1987. This applies to all clients of those bank branches who did not lose their property but were affected by the isolation of the area caused by damaged road, and who were not able to transport their products. According to official estimates, the bill will benefit approximately 600 clients who owned the banks 300 million sucres. At the time of the earthquake, the 600 clients owned the banks 1.3 billion sucres.

President Leon Febres Cordero sent a letter to the Congress president explaining that he presented the bill in accordance with rights established in Article 65 of the constitution. The Congress has 15 days to study the bill.

LEADERS OF TAURA BASE REBELLION RECEIVE SENTENCES

PA221627 Quito Radio Quito in Spanish 2300 GMT 21 Jul 87

[Excerpts] Seventeen individuals implicated and identified as the main participants in the military uprising at Taura Air Base and in the kidnapping of the president were sentenced to 16 years in prison and received other penalties specified in the Ecuadoran Military Penal Code.

In addition, the culprits were discharged and expelled from the Armed Forces, can no longer wear military uniforms, insignias or medals, [words indistinct] military and citizen's rights.

The convicts include Colonel (John Maldonado) and paratroopers (Petro Lohor), also known as (Tamba Colorado), Francisco Pazmino, and (Juan Tripena) -- who have been identified as the main leaders of the revolt during the preparatory phase of the court martial.

Another 23 Air Force members were sentenced to 8 years in jail and were stripped of their rights as members of the Armed Forces.

Another militaryman was sentenced to 2 years in prison, [number indistinct] to 6 months, and 37 were acquitted because their participation in the 16 January incidents could not be confirmed. [passage omitted]

BRIEFS

MPD'S PRESIDENTIAL CANDIDATE -- The Democratic People's Movement's [MPD] convention, held in Quito yesterday, confirmed attorney Jaime Hurtado as the party's presidential candidate. The other member of the party's ticket will be the Socialist Enrique Ayala. Convention president Ernesto Alvarez said that their ticket was a response to the prevailing need for alliances among the Ecuadoran leftist parties. [Excerpt] [Quito Voz de los Andres in Spanish 1229 GMT 18 Jul 87 PA]

PRESIDENT STROESSNER ANSWERS TAIWAN REPORTERS

PY230109 Asuncion HOY in Spanish 21 Jul 87 p 11

[President Alfredo Stroessner's answers to a written questionnaire submitted in advance by a delegation of Taiwan journalists -- transcript handed out at Government House on 20 July]

[Text] [Question] Your excellency is one of the foremost anticommunist leaders in the world. What is your opinion on the prospects of the anticommunist struggle in the free world?

[Stroessner] I am confident and optimistic about the future of the free nations of the world in their struggle against communism because I believe in the lasting spiritual unity stemming from historical mandates. It is the obligation of all free people in the world to strengthen the forces of freedom, and to join efforts in order to stand up to communism and its extremist ideas, whatever the circumstances, because despite its lack of popular support, communism seeks to gain ground through violence and terror. Mankind will always seek peace, it will always struggle for peace because peace is the source of all that is good. Thus free men and nations should base the master plan for their future on an instrument capable of guiding them firmly and surely: stability. Stability should mean the absence of unsettling elements and should also reflect a collective unwillingness to tolerate disorder or political crimes.

Free peoples and nations should no longer believe in theoreticians who would sacrifice the much-desired gifts of peace, order, and stability to make unforgivable concessions of doubtful doctrinal authenticity. At this juncture, Paraguayans value and support my loyal and good friends, the great and unforgettable leader of the Republic of Taiwan, the late General Chiang Kai-shek, who struggled relentlessly against communism, leaving a legacy of qualities and virtues to the Chinese people, a legacy that has transcended time to become a sacred banner of democracy, justice, and freedom.

[Question] Paraguay is politically, socially, and economically the most stable country in Latin America. Why is this?

[Stroessner] Peace is attained through the fulfillment of duties and responsibilities. The Paraguayan people know that my government has always done everything possible to enforce and improve representative democracy. Peace in Paraguay represents the victory of the sovereign will of the people who have left internal squabbling behind and are firmly marching toward national greatness.

We have a strong political party: the Colorado Party. Our Armed Forces are loyal, disciplined, and dependable. They are permanently and relentlessly working for the country's progress. The people and the Armed Forces firmly support the actions of our government. This is a nationalistic and irreversible position that epitomizes the belief of the absolute majority of the members of our political party, which has the honor of leading our fatherland toward its bright future. Paraguay is a state of law in keeping with a freely enacted Constitution. It is governed by a democratic majority with the participation of opposition parties. Its essential interests are protected by a legitimate government which is aware of its duties and powers. Today I can say that Paraguay has found the long-sought path by which the national way of life has been dignified. We have undertaken highly significant public projects that will directly benefit the entire nation.

[Question] The Itaipu hydroelectric dam will be completed soon and the Yacyreta hydroelectric dam is presently under construction. How will all this energy contribute to the development of the country?

[Stroessner] From the point of view of energy, Itaipu is the largest hydroelectric power plant in the world. It has been changing the face of the country since its construction began. The changes have been more than physical, meaning new buildings and features, or related to the resources the dam has generated. The dam has also had a strong economic influence on the population and on the organization and structure of the enterprises that employ people and earn money for the country.

Itaipu is already helping to build up the capital of the country. In addition to the dynamic forces it generates, Itaipu, along with other hydroelectric power plants including those that are already completed like Acaray, and those that are under construction, like Yacyreta, will shortly turn this country into the largest energy exporter in this part of the continent. We believe Paraguay should develop gradually. We must use our energy to develop agricultural industries which are more at the level and grasp of our people instead of developing large export industries, and then address other, even more promising developments. In view of the world energy crisis caused by oil shortages, we could say, in fact we should stress, that the government has been farsighted in giving priority to these hydroelectric projects. Had they been started today, they would have cost us much more. We have built Acaray, we are finishing Itaipu, and we are continuing with the construction of Yacyreta, learning in the process the different stages of technological development. This leaves us in an even better position to formulate and carry out even more ambitious projects.

[Question] We thank your excellency for your constant support of the Republic of China. How can the cooperation between the two countries be strengthened in the future?

[Stroessner] I am satisfied with Paraguayan-Chinese relations because I know we agree on many issues and clearly understand that we can reach important agreements in the field of cooperation by taking advantage of positive factors for our dynamic progress and development. We must also continue to face the challenge of the enemies of our civilization with courage, without disregarding our sacred traditions, and without relinquishing our personality as a free, sovereign and independent nation. Only through loyal understanding and fraternity among friendly nations will we be able to overcome the threats of foreign nations, which are trying to impose dependency and colonialism under any pretext.

I have full confidence in the success of our future relations because of the achievements made so far. Our intentions are based on common ideals and sustained by thoughts of legitimate aspirations of progress of our people, whose faith is based on creativity, dynamism, and strong moral principles.

[Question] What is the meaning of the 100th anniversary of the Colorado Party, and what influence will this anniversary have in the future?

[Stroessner] There are not very many political organizations which celebrate 100 years of existence with the same moral strength they had at their inception. In 100 years of existence the Colorado Party has enhanced Paraguayan democracy because it is an organization of free men who offer the nation their valuable contribution of support to the great and bright goals of the Paraguayan people. It offers complete harmony and the ability to discuss the future of the nation with great maturity. It offers more than other political organizations which are currently affected by divisions and anarchy as the result of positions based on hate and the lack of basic ethical principles.

The National Republic Association (Partido Colorado) contributes to strengthening our democratic institutions with its unity and respect for freedom. We have created an environment of peace and confidence within our forces. No one can deny that in my country there is firm optimism about the future. The Paraguayan people know, and all the people of the free world should also know, that in Paraguay the Colorado Party is the incorruptible guardian of the virtues of our race. We are firmly committed to the well-being of the people, who should receive the benefits of the efforts of our leaders and good citizens. This is the way to set the proper conditions for our people to enjoy the benefits of civilization and culture.

We, the members of the Colorado Party, feel and understand the real range of the mission which destiny has put in our hands. We have the strong will and the incorruptible patriotism to work for the supreme cause of the people's well-being without dismay or weakness. We have a rich ideology, beautiful traditions, and the dignified example of our founder, General Bernardino Caballero, our inspiration to continue to serve with dynamism, efficiency, and firmness the just aspirations of the people in this era when Paraguay has found its best qualities of dignity and respect.

SUPREME COURT DENIES PDC REGISTRATION AS PARTY

PY181902 Asuncion HOY in Spanish 18 Jul 87 p 14

[Excerpt] On the morning of 17 July the Supreme Court handed down a decision on the Christian Democratic Party [PDC]. The decision confirms a resolution by the Central Electoral Board refusing to register the party. The Supreme Court decision is signed by Ivan Cibils Bogado and Sixto Milciades Rivas Soler (members of the Civil and Commercial Courts of Appeals) and by Justo Pucheta Ortega and Francisco Pusineri Oddone. [passage omitted]

BRIEFS

UK TRADE DELEGATION -- A UK trade delegation, which met with government officials and businessmen, yesterday ended a 4-day visit. During the bilateral contacts, the purchase of more UK products; an increase in the sales of Paraguayan products such as hides, shoes, garments, textiles, and edible oils, among other products; and the possibility of joint ventures to invest in the agro-industrial field in Paraguay were discussed. [Excerpt] [Asuncion HOY in Spanish 8 Jul 87 p 5 PY]

COST OF LIVING -- The Paraguayan Central Bank has reported that the cost of living increased by 1.99 percent in June, thus bringing the accumulated cost of living increase since January to 13.3 percent. [Excerpt] [Asuncion EL DIARIO in Spanish 9 Jul 87 p 13 PY]

AMBASSADOR DISCUSSES RECENT TERRORIST ATTACK

PY201336 La Paz La Red Panamericana in Spanish 1130 GMT 20 Jul 87

[Text] The Bolivian Embassy in Peru has undergone a terrorist attack. The attack occurred when we had U.S. troops stationed in the eastern part of our country. This incident was reported by Nuflo Chavez Ortiz, our ambassador in Lima.

While the Bolivian and Peruvian foreign ministers were meeting in Puno last week, Panamericana interviewed Chavez, who spoke abut the guerrilla movements in the neighboring country.

[Begin Chavez recording] There are other terrorist forces operating in Lima. For example, we have the Tupac Amaru Revolutionary Movment, the Revolutionary Committee of the People [Comite Revolucionario del Pueblo], and some other groups that are dedicated to terrorism. Evidently, it is quite a serious situation, and a delicate one, for Alan Garcia's government. Many times the diplomatic corps are involved in these incidents. Regarding our country, when the joint Bolivian-U.S. operation against drug trafficking started, we were threatened by the Revolutionary Committee of the People. The terrorists even placed a bomb in our embassy as a protest against the presence of U.S. troops in Bolivia. I do not recall, but surely there must be [words indistinct] between terrorism and drug trafficking. [end recording]

Nuflo Chavez also said the embassy is very well protected by Bolivian security groups and Peruvian police, and he has received many threats against his life from terrorist groups.

WAGNER, BOLIVIA'S BEDREGAL END MEETING

PY161404 La Paz La Red Panamericana in Spanish 1130 GMT 16 Jul 87

[Text] The meeting between the Bolivian and Peruvian foreign ministers concluded on 15 July in Puno, Peru, with the signing of a joint document.

As of now, Peruvian-Bolivian integration will be a fundamental task, because the two foreign ministers signed several agreements in this respect during the meeting in Puno, on the shores of Lake Titicaca.

The meeting began on 13 July at the Islas Estevez Hotel with the participation of the two foreign ministers, the transportation and communications ministers, and technicians from the two countries.

From the beginning the two foreign ministers, Peru's Allan Wagner and Bolivia's Guillermo Bedregal, agreed that Peru and Bolivia have the same roots and consequently must act together in seeking integration on the basis of the principles of the Peruvian-Bolivian Confederation, which was promoted by Andres de Santa Cruz more than 150 years ago.

Basically the two ministers discussed the joint-ownership task outlined in 1957 by then Foreign Ministers (Manuel Barauthe) and (Humberto Fernandez Avila).

GOVERNMENT INCREASES OIL PRICE OVER OFFICIAL RATE

PA171950 Hamburg DPA in Spanish 1436 GMT 17 Jul 87

[Text] Caracas, 17 Jul (DPA) -- Today, Venezuelan acting Energy and Mines Minister Julio Cesar Gill confirmed in Caracas that Venezuela has increased the average price of its crude by $0.70, confirming the reports received yesterday from New York, from the international news agencies, which cited sources from the industry that were not identified.

The measure, in effect since yesterday, 16 July, was taken due to the increase in the price of oil on the world market in the past few weeks.

With this decision, Venezuela becomes the first OPEC member to increase the price of crude over the export price ($17.62 per barrel) established by the OPEC in December 1986 and reaffirmed during its last meeting in Geneva (Vienna) [as received].

The price of the Tia Juana (31 degrees API) light crude increases from $17.62 to $18.32 per barrel and the Guanipa light (30 degrees API) from $17.44 to $18.14. The heavy and extra-heavy crudes have also been increased by $0.25.

Julio Cesar Gill noted that the Venezuelan Government has decided to charge this increase as a "premium," which will be added to the price of oil.

DEFENSE MINISTER ON STATUS OF BORDER TROOPS

PA142209 Caracas Television Service in Spanish 1600 GMT 13 Jul 87

[Text] The struggle of the drug traffickers and guerrillas for [as heard] the Colombian Government has led the subversives to move their activities to the border with Venezuela. Division General Heliodoro Guerrero Gomez, defense minister, has said that our troops are well prepared to cope with any eventuality.

[Begin Guerrero recording] Normally, we keep our border bases sufficiently equipped, organized, trained, and ready to repel any attempt by any guerrilla force to cross our borders. [end recording]

LUSINCHI RETURNS FROM EASTERN CARIBBEAN TRIP

PA190352 Paris AFP in Spanish 0249 GMT 19 Jul 87

[Text] Maiquetia, Venezuela, 18 Jul (AFP) -- Venezuelan President Jaime Lusinchi returned to the country this evening at the end of a 4-day visit to four eastern Caribbean islands: Barbados, Grenada, Dominica, and St Lucia.

The Social Democratic president said that in addition to signing cultural and political cooperation agreements and agreements to struggle against drug trafficking, he also expressed Venezuela's support for the political integration of the small eastern Caribbean English-speaking countries.